

VIEWPOINT – DECEMBER 2007

Why Program Management?

By Russ Martinelli

Why do I focus on program management? That's a question I get asked on a regular basis and my answer is normally two-fold: Because program management is my profession and because there continues to be confusion about the what, why and how of program management.

I have to admit that for the first twelve years of my career, I naively believed that the practice of program management was well understood. That's because I worked in the defense and aerospace industries where program management was developed and matured for over three decades before I arrived on the scene. It wasn't until I transitioned to the commercial high-tech industry that I began to realize there was some confusion about my profession. That fact hit me during the initial meeting with my first program team at Intel. As we went around the table introducing ourselves and our role on the team, I learned that my program core team consisted of myself and eight other *program* managers. Now, to the best of my knowledge and experience, there is supposed to be a single program manager leading a program. This prompted me to schedule a meeting with my new manager. As I discussed my confusion with him, I heard for the first time what is now a common statement, "Oh, we tend to use program and project manager titles interchangeably".

For some time, I thought this confusion was central to Intel. The realization that it was more systemic came as I began to network with my program management counterparts in an organization called the Program Management Forum (PMF) in Portland, Oregon. The PMF is a cross-industry community of practice that was formed to bring program management professionals together to discuss topics of common interest. Due to the lack of resources specific to program management outside of the defense and aerospace industries, communities of practices like PMF tend to be a primary source of knowledge on the subject. Through this network of local high-tech, IT, medical, financial services and public service professionals, not only did I realize that program and project management titles were being confused, so were the roles, responsibilities, skills, and practices.

As I continue to speak and write about the practices of program management, some fundamental questions arise. The most common being; 'what is program management?' and "why is it important?". In our book titled *Program Management for Improved Business Results* (ISBN: 0-471-78354-4), we define program management as "Achieving a set of business goals through the coordinated management of interdependent projects over a finite period of time". Although all projects and programs deliver the tactical and operational deliverables, the real power of program management is the integration and management of a set of highly interdependent projects to deliver a product, service or infrastructure capability that contributes to the achievement of a company's strategic objectives and desired business results.

The real value in employing program management is that it focuses on the business results desired and offers a systematic approach for delivering revenue generating or cost reduction solutions that create competitive advantages by focusing on the following business needs:

Aligning strategy and execution. In a large number of organizations, there exists a misalignment between the firm’s strategic objectives and the corresponding ability to effectively identify, manage and execute on a programs targeted goals. Program management can be viewed as the organizational “glue” that translates strategic business objectives into actionable plans and then manages the tactics to achieve the desired business results.

Managing complexity. Due to the amount of complexity required to meet customer demands for performance, features and customization, development efforts are now often beyond the scope of a single project. Program management puts a systems structure in place which provides an effective framework for tackling complex development efforts by disaggregating the complexity into manageable elements organized as projects, and then integrate the project outputs into a holistic product, service or infrastructure capability.

Integrating business functions. Program management is the mechanism by which the work of the various operating functions within a company is integrated to create an effective business model. By integrating and synchronizing the work of the operating functions, program management is effective in breaking down the functional silos that can prevent effective and efficient product, service or infrastructure development.

Choosing to implement program management within a company is not about making a choice between program and project management. It is about understanding what you are trying to achieve as well as the complexities of the environment in which you are operating, and then implementing a model that provides the best fit. In order to do that however, it is beneficial to understand some of the key distinctions between the two disciplines as summarized in the table below:

Program Management	Project Management
Strategic in nature, focused on business success and ensuring work remains feasible from a business perspective	Tactical in nature, focused on execution success and ensuring work generates deliverables on time, on budget, and fully functional
Aligns execution of multiple projects to business strategy and goals	Aligns project deliverables to program goals
Successful delivery of the right product, service or infrastructure capability, and at the right time	Successful delivery of project deliverable(s) per triple constraints
<i>Horizontal management</i> across all the functional projects involved in the program to integrate the project outputs	<i>Vertical management</i> of a single functional project within the program to produce a single element of the solution
Involved in all phases of the development life	Primarily involved in the planning and

cycle, from definition to end of life

implementation phases of the life cycle

Breadth of business, leadership,
customer/market, and project management skills
are necessary

In-depth project management and functional
specific technical skills are necessary

If implemented correctly, program management can become a powerful element of a company's product, service or infrastructure delivery system. For more information about program management, please refer to our paper series available in *PMWorld Today* (http://www.pmworldtoday.net/featured_papers/2007/july.htm#2)



Russ Martinelli
Author



Russ Martinelli is the Manager of Program Management Methods within the Corporate Platform Office at Intel Corporation, where he focuses on the implementation of program management practices across Intel. Additionally, Russ is the chairman of Intel's global Program Management Community of Practice, an adjunct professor at the University of Phoenix, and co-founder of the Program Management Academy. Russ has held a variety of positions at Intel and Lockheed Martin in the areas of systems engineering, general management, operations management, and project and program management. Contact Russ at: russ.martinelli@programmanagement-academy.com