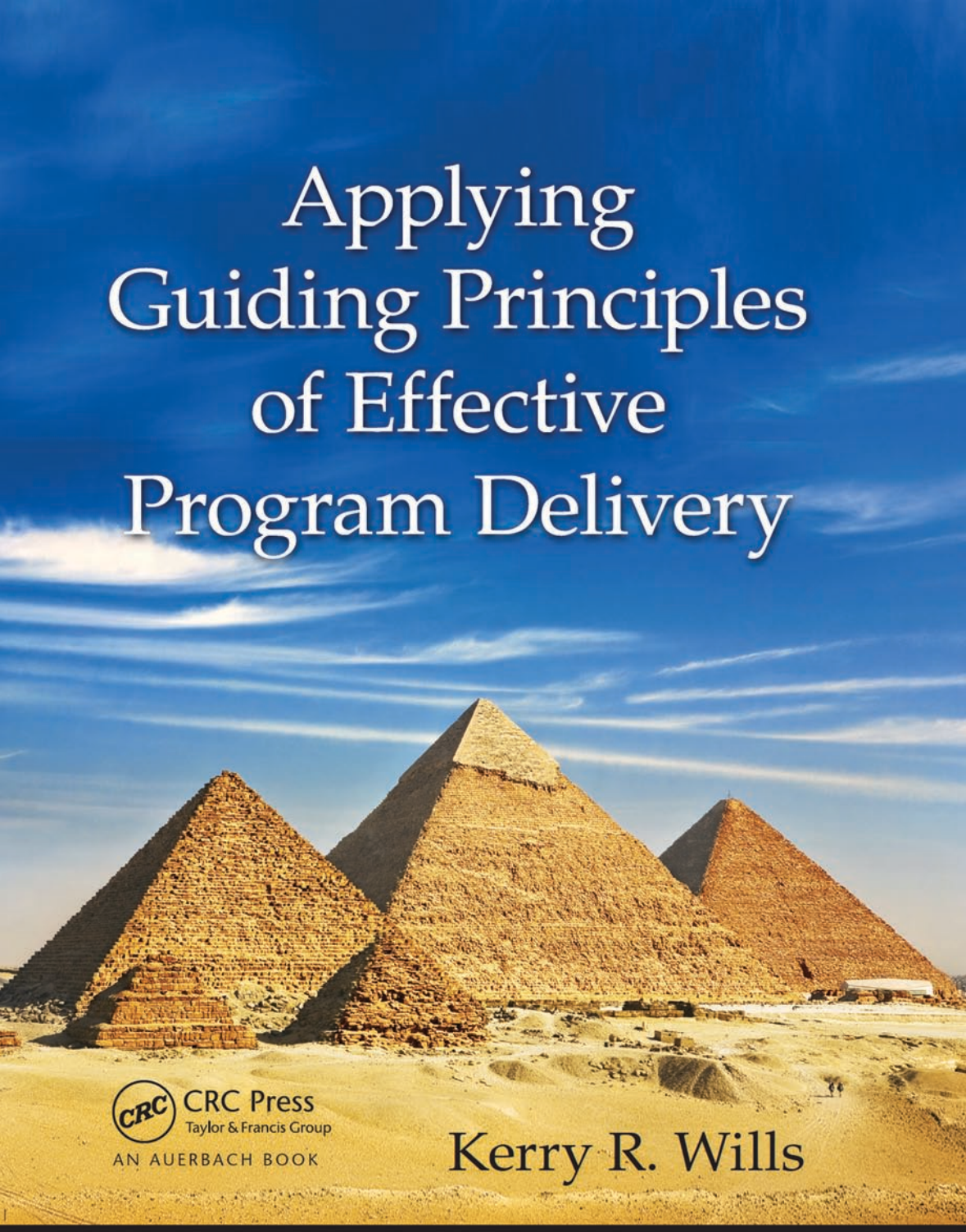
Applying Guiding Principles of Effective Program Delivery



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Applying Guiding Principles of Effective Program Delivery

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Kerry R. Wills

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Preface

I have been managing large technology programs and have been a student of the project and program management disciplines for nearly two decades. Based on my observations and personal experience I believe that the most successful programs are ones that follow a certain set of guiding principles and are not necessarily the programs that have the best processes or tools. The irony is that most of the materials in the marketplace focus on specific techniques or functions and not on how to apply principles to use them effectively and optimally.

As a result of not seeing many materials regarding this type of approach, I made the decision to write this book in the context of these core guiding principles of a consultative approach and how to apply them. Examples of the guiding principles are diligence, transparency, and a single source of truth for key program information. The cover of this book shows the Pyramids of Giza because they are a perfect example of a large successful program that followed the principles of diligence and attention to detail.

The book is organized into five chapters:

- The first chapter sets the context and case for the consultative approach.
- The second chapter then defines the consultative approach and the associated program management functions.
- The third chapter describes each of the guiding principles and provides a case study for each that demonstrates the use of the principle.
- The fourth chapter summarizes each of the program management functions and then shows how the guiding principles are applied to that function.
- The fifth chapter then provides a summary of the concepts and also highlights several key themes from within the book. It also provides some examples of the templates suggested in the book.

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About the Author

Kerry R. Wills has worked as a consultant and a program manager for Fortune 500 companies on multimillion-dollar technology projects since 1995. During that time, he has gained experience in several capacities: as a program manager, project manager, architect, developer, business analyst, and tester. Having worked in each of these areas gives Kerry a deep understanding of all facets of an information technology program. Kerry has planned and executed over $1 billion of project and program work as well as remediated several troubled projects.

Kerry is a member of Mensa and has a unique perspective on project work, resulting in 10 patents, several published books, and speaking engagements at over 20 project management conferences and corporations around the world. Kerry is a passionate speaker who has a reputation for delivering entertaining presentations combined with vivid examples from his experiences.

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Introduction

The business environment has been evolving over the last several decades because of many factors including a volatile economy, growth in technology, increased competition, and demanding customers and shareholders. Companies are also taking larger bets with technology as a means of competitive advantage. The result has been a rise in large and complex programs for many companies. These programs usually span many years, cost millions or even tens or hundreds of millions of dollars to run, involve many people from across the organization and usually also include vendors and partners from other companies.

While programs are getting larger and more complex, at the same time the success rate of programs remains low. In order to manage programs in this environment, it is imperative to take a "consultative approach" to running them. A consultative approach involves managing these programs with a core set of guiding principles and utilizing them across every function of the program. This book defines what it means to take a consultative approach by identifying the eight key guiding principles and then proposing several strategies to enable program managers to be successful in the new landscape by applying them to their programs.

This book's central three chapters explain: the consultative approach in Chapter 2, Consultative Approach and the Program Office; identify the guiding principles in Chapter 3, Guiding Principles; and apply the principles to the program functions in Chapter 4, Program Management Functions. There are also nine case studies that demonstrate how the guiding principles were successfully applied to a program as well as several examples of templates which are described in the book.

Although there is industry material on how to run a program as well as a program office, they are mostly focused on specific functions and tools. This book anchors on the key guiding principles that should be driving the processes and tools, and therefore is applicable to any program for greater success in today's business environment. This book is intended for any professional who is working in information technology and managing a large project or program. It is specifically targeted toward project managers and program managers who have a fundamental background in project and program management principles and want to evolve their skillsets and thinking about how to manage their work effectively.

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Context and Case

The business environment has been evolving over the last several decades because of many factors including a volatile economy, growth in technology, increased competition, and demanding customers and shareholders. Companies are also taking larger bets and pursuing more opportunities with technology as a means of competitive advantage. The result has been a rise in large and complex programs for many companies. These programs usually span many years, cost millions or even tens or hundreds of millions of dollars to deliver, involve many people from across the organization, and usually also include vendors and partners from other companies.

Figure 1.1 shows a traditional program inclusive of several projects (A, B, and C), with the resources directly managed within the program. These are relatively easy to manage because the program manager has all the control. This model allows a program manager to manage directly without much influence needed.

In contradiction to the traditional program, Figure 1.2 shows the current evolution of programs and how they look today. You can see several changes listed below:

1. The programs are larger and have more projects and work associated with them. As technologies and business solutions become more complex so do the sizes of the programs to implement them. This can be seen with the traditional program example having only three projects but the current program example having several projects within it.
2. The projects are all related to each other and have dependencies. Project A now has a dependency on Project Z, which is outside the program and in another division. Given the complexity and interrelationship of technology, it is common to have a program that has projects which are dependent on other projects in the organization.

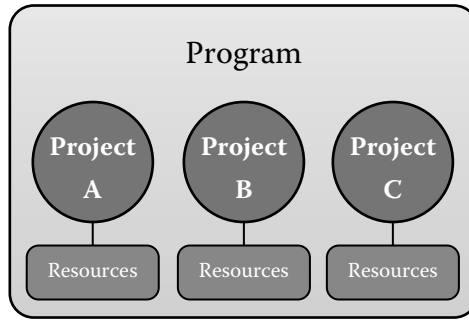

FIGURE 1.1
Traditional program.

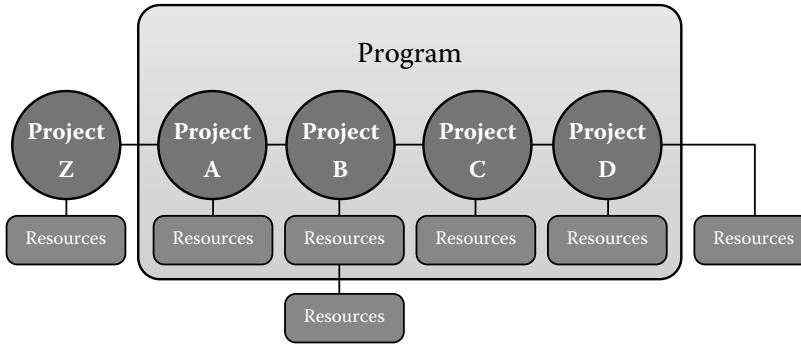

FIGURE 1.2
Current program.

3. Resources are now being used from all over the company. Project B requires resources from a vendor and Project D is using resources from other divisions. Only a few projects today are encapsulated to just the employees from the division running the projects. They usually require other resources, contractors, and vendors from outside the company.
4. Because there are projects and resources beyond the walls of the program, there are also more stakeholders involved and their expectations must be managed.

Figure 1.2 represents a visual view of how programs have been evolving and trending. Table 1.1 further expands this view and lists the trending characteristics of programs with specific examples.

TABLE 1.1

Trends of Program Characteristics

Characteristic Trend	Examples
Increased complexity of programs	• Organizations and companies have been investing in technologies for decades resulting in having many systems and therefore many touchpoints to change on new programs. • Strategists are taking bigger bets and pursuing more opportunities with technology as a competitive advantage. • The technology stack is comprised of many different layers, products, and vendors. • The business solutions being implemented are growing in complexity as products and services become more individualized and customer-focused. • Programs can have large structures comprised of many different projects underneath them, many of which have dependencies and interrelationships between them.
Increased duration and cost of programs	• Because of the increased complexity, programs require more resources and time to implement. • It is common today for programs to span multiple years and cost in the millions of dollars. • Costs can include resources, external partners, software purchases, hardware purchases, and vendor contracts.
Additional stakeholders	• As the complexity of programs grows, so does the need to interact with many more internal organizations and external parties. • Communication needs extend to the additional governing bodies within an organization (e.g., audit, portfolio management divisions, finance, etc.). • Additional communications are needed to manage expectations and share information with the growing number of stakeholders.
Evolving resource and skill needs	• To reduce the cost of delivery some companies and programs use offshore resources or shared service organizations. • As the technology becomes more complex, specialized resources are needed, or program teams may choose to build relationships with strategic vendors to help in program execution. • Resources are becoming more "virtual" and working from many different locations including their homes.
Additional controls and guidelines	• New procedures and standards are used to try to manage the investments and improve consistency of execution (e.g., capability maturity model, information technology (IT) infrastructure library). • The focus should be on standards and solutions for the enterprise and not just the program. • Regulations such as the Health Insurance Portability and Accountability Act of 1994 (HIPAA) and the Sarbanes–Oxley Act of 2002 (SOX) with required documents need to be followed.

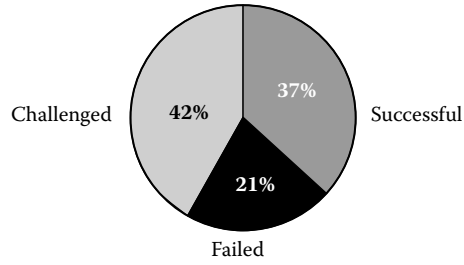

FIGURE 1.3
Success of projects.

Although these trends are realities of today's business environment, what is also true is that the success rate of delivering projects continues to remain low. In 2011 the Standish Group put out their CHAOS Manifesto which surveyed over 10,000 projects. The results found that for projects conducted between 2002 and 2010 only 37% were classified as successful (Standish 2011), which they defined as delivering all the requested functionality, on the expected date, for the planned cost. Figure 1.3 shows the summarized results of the study, which highlights the remainder of the projects that either failed altogether or were significantly challenged.

In order to manage projects and programs in this environment, it is imperative to take a "consultative approach" to running them. Based on my experience, it is not enough just to have a program schedule and manage the people working on it. A consultative approach involves managing these programs with a core set of guiding principles and utilizing them across every function of the program. This book defines what it means to take a consultative approach by identifying these key guiding principles and then proposes several strategies to enable program managers to be successful in the new landscape by applying them.

Chapter 2 explains what a consultative approach is and why it is needed to run programs today. It then defines the charter for a program office and identifies the different models that can be used.

Chapter 3 identifies the critical guiding principles of the consultative approach, for example, having a "single source of truth" for key program information or providing transparency of key information. Each principle is described in detail, and is supplemented with case studies from real programs that span different industries.

Chapter 4 outlines the key functions of a program office but describes them in the context of the guiding principles. For example, in the vendor

management function, the subsection on the "single source of truth" explains why having a master inventory of all contracts and invoices is important.

Chapter 5 then summarizes the key points, identifies common themes from throughout the book, and provides some examples of templates discussed.

Although there is a lot of industry material on how to run a program as well as program management techniques, they are mostly focused on specific functions and tools. This book anchors on the key guiding principles that should be driving the processes and tools and therefore is applicable to any program that wants to be successful in today's business environment.

Note that I use the term "program" in this book to refer to an initiative made up of several projects or even a large project. The approaches and principles can apply to either, so I use a loose definition of the word. These concepts can also apply to portfolios of programs as well. Similarly, although the concepts here are focused mostly on technology programs, they can be universally applied to other types of programs and industries as well. Some of the examples and techniques in the book may seem repetitive at times but that is intentional to demonstrate how the guiding principles are applicable throughout all of the program management functions.

This book is intended for any professional who is working in information technology and managing a large project or program. It is specifically targeted toward project managers and program managers who have a fundamental background in project management principles and want to evolve their skillsets and thinking regarding how to manage their work effectively. This book does not dive deep into specific project management techniques, such as how to create a work breakdown structure or a risk log, but instead identifies the critical guiding principles needed to run a program successfully and then shows how to apply these principles across the key functions of a program. However, there are references to key techniques and there are also some sample templates at the end of the book (see Chapter 5, Section 5.3) for the key deliverables discussed.

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