



Why Program Management? Why Now?

Why Projects are Evolving into Programs.

By Tom Mattus, President
Successful Strategies International, Inc.

Unprecedented mergers and acquisitions activity, constant downsizing and heightened global competition forever changed the face of corporations all over the world. As we move to a “flatter world” we can expect more layoffs, more cutbacks and more industries facing economic hardships.

In the face of these formidable corporate challenges, managers are adapting to a new lean and mean corporate structure structures, fewer suppliers, less support—while at the same time facing pressures to improve quality and raise productivity. Many global companies are floundering for solutions.

The concept of project management put people on the moon, built worldwide infrastructure systems and facilities and has succeeded in many monumental accomplishments. Before we start singing “Kumbayah” and holding hands around the camp fire we must realize that project management is just a tool --not a panacea, and only a starting point as the world becomes more complex.

The intensity of the work and the ability to get things done when managers don't have control over the all the variables makes the workplace even more demanding than it was in the nineties. The concepts of Project Management scheduling and controlling, planning and resources are solid management skills always needed to get the job done.

Sophisticated techniques like PERT, CPM, work breakdown structures and earned value sound like terms for launching a space shuttle, but are everyday tools that managers and key employees need to master. But without the time, training and tools these concepts fall into the “should do's, but rarely happen”.

As projects have gotten even larger the concept of program management has become front and center a new skill to master. A young corporate professional just several months out of college recently confronted me at a training session at a large company in scenic New Brunswick. Eric said that in his job, PM skills were just the tip of the iceberg and he was managing several large worldwide Information Management Projects which were part of a large program. He knew he needed more than a basic Project Management class.



Corporate professionals who are now working on complex projects and task forces need a higher level of skills than they now possess. Obtaining Project Management Certification (PMP) from the Project Management Institute (PMI) is now only the beginning of your educational development. Besides PMP opportunities, human resource professionals must offer viable services to these internal customers.

In addition to addressing the needs of the managers, HRD and IT training professionals need to address the demands of key individual contributors in order to achieve the company's financial goals. These key individuals may not have people reporting to them but normally have to manage some parts of these large programs within an organization. The "feel good" training or pure team-building trends are shifting to developing the key business and leadership skills needed by these key employees and managers in order to get things done with companies large programs.

In researching my original question, I have come up with three reasons why developing Program Managers should be undertaken in every organization now. The first deals with corporate restructuring, the second with the increasing sophistication of users and finally, the chronic temptation to solve managerial problems with a silver bullet or the "Lone Ranger" approach.

Restructuring has produced extreme cost consciousness. Managers are being told to hold down head counts, live within their budgets and look for opportunities to offshore jobs to lower cost locations. This means producing more with the same or less resources. Yet, those very people given the responsibilities to bring these large programs in on time, under budget and to specifications for the most part have little or no training in either project or program management. Knowledgeable in the latest technology, most of their training has been technical, not in managing projects, programs and people.

Therefore, companies have more technically sophisticated but managerially inexperienced people being promoted to managing large programs. They have little experience on how to plan, schedule, allocate resources, negotiate with users and functional managers, design and implement programs, and submit to quality requirements.

As inexperienced managers fall under pressures of program demands and fail to deliver programs satisfactorily, companies often turn outward, unwilling to invest in training their own people. Outsourcing is serving to further increase the stress on internal personnel, who have a vested interest in keeping work on premise.

In addition to outsourcing, fewer but larger programs are being contracted with constantly changing technology and user demands. The result is that job security is no longer guaranteed. If the foregoing scenario were not difficult enough, customers have become much more sophisticated. They read the same publications as the "experts" and are very *au courant* with the latest techniques and methodologies. Everything they read about in the publications, needless to say, they want yesterday.



While a sophisticated and educated client can cause torment by demanding the impossible, they can also check what is being done against applications at competitive companies. Since clients can now be just as savvy as program managers, managers must be able to effectively communicate the ever-changing technology to their clients.

To tackle the challenges of program and project management, some individuals and companies have turned to software seeking the Lone Ranger silver bullet solution. Today organizations think nothing of spending over \$2 to \$5 million dollars on highly sophisticated, user unfriendly project management or SAP software solutions.

Companies head off with a false sense of confidence only to face program disaster. The tragedy is that six to 18 months after software is purchased its either not being used at all or gathering dust on the shelves. More often it is being used at 20% of its rated horsepower either to record job time cards or to prepare impressive visuals displays for customer reviews. When it doesn't work they turn to Project Management offices or program mangers with the demand to "fix it".

In today's PC-oriented world, the good news is that the software tools now cost as little as \$300. The bad news is that within six months of purchase, the users are giving up, kicking the machine, downgrading the software as not having any value, complaining that it 'doesn't work'. Managers need to know the basics of Program and Project management for no software can completely teach the nuances of Program management. Software can be an excellent tool if the user has the basics down.

Unless senior management deals with issues arising from the trends toward outsourcing, increased user sophistication and looking for the magical solution for a quick fix, long term managerial problems will persist, and company's profitability will be affected.

Successful Project Management is difficult enough, Program Management is even worse since both political and good negotiating skills are critical. People need support such as more training opportunities, more mentoring and better systems they don't need micro management from their senior managers and customers.

Tom Mattus is President and Co-Founder of Successful Strategies International, Inc. a New York based company specializing in customized Program and project management training solutions.