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Program Management Commentary

Editor's note: This is the 3rd article in a new series on program management, program leadership and leading global program teams, by executive consultants at the Program Management Academy. Based on their many years of experience in managing programs and projects at major technology organizations and on their books, Program Management for Improved Business Results and Leading Global Project Teams, Martinelli, Rahschulte and Waddell provide useful advice and perspective. For more on the topic, see other articles in this series or contact the authors.

ALIGNING A PROGRAM WITH ITS ORGANIZATION'S
BUSINESS STRATEGY

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In most organizations there is a distinct division of labor between strategy and execution. Strategic planning and portfolio management are often activities reserved for senior management, and program planning and execution activities are the responsibility of the program manager and core team. Given that these activities are performed by different personnel, gaps in communication and understanding of strategies and corresponding objectives can occur resulting in misalignment and a disconnection between the intended business objectives and what is ultimately achieved by the work effort. Such gaps can result in lost opportunity, not to mention a waste of human and financial resources.

The challenge with creating and maintaining alignment was well documented by Andrew Pateman, President at the Palladium Group, in his article *Linking Strategy to Operations: Six Stages to Execution*. Pateman noted, "Organizations' success at strategy execution, as exemplified by their results, remains low." He further noted that to successfully execute the organization's business strategies requires a management process that systematically links strategy to operations and demands that all parts of the organization work in concert to deliver successful performance.

Program managers and others charged with the responsibility to implement projects need to fully understand organizational strategies in order to properly formulate plans and actions for optimal execution. Therefore, it is imperative that a process is established to enable an ongoing flow of information and discussion to occur between those developing the strategy and those responsible for executing program solutions.

Successful organizations that have established and maintained alignment between strategy and execution have a generalized three-step systematic process:

- Step 1 - Strategic environment and assumptions scan: Understanding the current and future environment that the firm will be operating in is critical to the strategic management process. The senior management team must have a comprehensive knowledge of the future direction of the economy in the company's market, the impact of potential technological breakthroughs, local and foreign political climates of countries in which it operates or wishes to operate, the size and stability of its supplier base, and the firm's own resource capacity and limitations. This current and future state knowledge of the external and internal environments will influence the company's choice of business strategies and objectives.
- Step 2 - Strategic planning: With an understanding of the strategic environment and assumptions, the strategic planning work taken on by senior leaders establishes organizational objectives and consists of the portfolio of ideas that, when fully developed, will contribute to the attainment of the objectives. Business, technology, and market strategies culminate into a program-level strategy to be executed.
- Step 3 - Portfolio planning: Proper portfolio management is a dynamic decision making process whereby a business' list of active programs is constantly updated and revised. This work may be collaborative between senior leaders and program managers.

Once the portfolio is approved and investment resources agreed upon, it is the program manager and team responsible for planning and delivering the solution that will result in achieved business objective(s). Accordingly, the program manager plays the critical role of being the "glue" to properly tie the individual program's specific strategic objectives to the program's execution output. This is accomplished by the program manager who sets the vision for the program with the team, and guides the leaders of the interdependent project teams toward the realization of plans, schedules, budgets and executable actions that will successfully deliver to senior management's expectations.

As the term implies, interdependent projects within a program are those that have a mutual dependence on the output of other projects to achieve success. Therefore, the successful completion of deliverables from one project is needed for the successful completion of other projects within the total program. The project managers and project teams focus on the tasks, milestones and workflow required to create their respective deliverables for the overall program.

The real power of program management then, is the ability to integrate and lead highly interdependent project leaders and teams to deliver their elements of the product solution in a coordinated and orchestrated manner that ultimately accomplishes the attainment of the strategic business goals of the organization

If you have questions or want additional information about the subjects discussed in this article, please contact us at any time. If you found this article informative, please share it. Thank you for reading. The Program Management Academy Team: Russ Martinelli, Jim Waddell and Tim Rahschulte. Email Address: Info@programmanagement-academy.com. Website: www.programmanagement-academy.com.

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