Program Management Guide
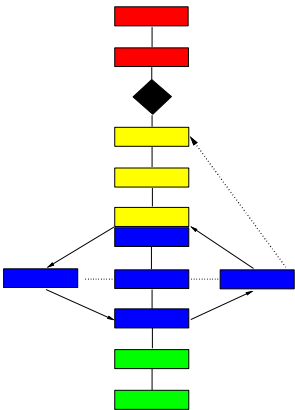
MITP
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This edition applies to Version C5.0 of Managing the Implementation of the Total Project (MITP), and to all subsequent releases and modifications until otherwise indicated in new editions.

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Allturn Group International B.V.
Groenendal 7c
5405 AS Uden (NB) The Netherlands
Email: Info@AllturnGroup.com

Phone: 0031 (0) 6 20 35 67 51

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PREFACE About This Document

This document describes how to manage a program (set) of projects in a coordinated way to achieve business objectives.

For information about the MITP life cycle, the key techniques, and the support techniques, see the MITP Handbook. A glossary of terms may be found at the back of the MITP Handbook

Who Should Read This Document
The 'you' in this document is the program manager, but other people can read and extract useful information from it.

How to Use This Document
The table of contents provides a clear roadmap to the main topics outlined in this document.

ISO9000 Control Information
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1   Introduction to Program Management

Program management is the coordinated management of more than one project to achieve a set of business objectives.

It takes the output from a company strategy and translates it into a series of projects to effect the changes necessary to support the strategy.

MITP program management techniques enable a company's strategy to be executed through the effective implementation of the changes to the business operations.

The MITP model breaks a program down into four phases:
1. Identifying the Program
2. Establishing the Program
3. Managing the Program
4. Ending the Program.

External factors - political, economic, sociological, technical - typically drive a business strategy. Programs of work then need to be established to implement those strategies and also to implement any initiatives made as necessary.

These programs of work consist of more than one project with some or all of the following characteristics:
Shared or scarce resource, demanding prioritization and adjudication between competing projects
Interdependency needing coordination and change management across projects
Common infrastructure or activities across projects allowing exploitation of economies from sharing
Shared risks, and therefore the opportunity, to manage and contain across projects.

Adopting the program management framework yields a number of advantages:
- Improved support to senior management, improving their communication and decision-making channel to major project initiatives
- Improved resource management and project prioritization
- Better management of risk across interrelated projects
- Focus on delivering business benefits through a formal program of management and measurement
- Improved overall control through a framework within which costs, standards and quality can be justified, measured and assessed.

Program management can be structured as follows:
- An overall route map showing the major characteristics of each of the four phases and their relationships
- A more detailed map of each of the four phases showing the steps within each phase
- Detailed techniques that can be used within each of the steps within each phase
- Key questions supporting hypothesis and check questions for each step
- Summaries in support of key steps.

Program management may be described as the coordinated management of a set of projects. This being with a view towards achieving business objectives. The concept of program management is to provide a framework or structure which enables the implementation of business strategies, initiatives, and the capability for the management of multiple projects.

2   Identifying the Program

Program identification deals with the program management issues before the program actually commences. Within program identification it is the responsibility of the identified senior management board to consider the impact and benefit of the change issues defined by the business strategy, organizational change proposals, or other issues resulting from the business operation. The board must decide whether to manage implementation proposals through one or more programs.

This phase is normally associated with business planning and conducted by senior consultants who are part of a high-level planning group. They receive input from custodians of standards and policies. The main activities of program identification are to:

- Identify all relevant business plans, strategies, and change initiatives that form an integral part of the program
- Assess their impact on the individual business areas affected by them and define the benefits associated with such change programs
- Identify tangible and intangible benefits
- Determine the best candidate grouping of projects and provide a business evaluation of benefits, economies of scale, and compatibility with plans for support services
- Align the projects with planned strategic objectives
- Select the group of projects that achieve the best possible balance between that of the strategic objectives, change management proposals, affordability, considered acceptable risk, and what is achievable in real terms
- Define and document each grouping within the overall program and obtain authorization for both individual and total business cases
- Appoint a program manager who reports to the sponsor, the latter assuming overall authority for the successful implementation of the program. You have delegated responsibility for the day-to-day running of the program implementation.

Subtopics
2.1   Program Management Skills Required
2.2   Agreeing Strategy and Business Objectives
2.3   Prioritizing Opportunities
2.4   Agreeing Candidate Projects
2.5   Defining and Documenting Program Groups

2.1   Program Management Skills Required

You should have the following skills:

- A very good appreciation and awareness of the business ideally supported by a high qualification in business administration
- Experience of managing complex projects through the project implementation life cycle, which assumes in-depth project management experience
- Practical experience of previously running an operational business unit
- Fluent communicator
- Ability to manage people and motivate them to deliver according to rigorous, often punishing timetables
- An understanding and solid appreciation of business planning and strategy techniques
- Ability to understand and implement change management programs. To understand the techniques behind business process reengineering and to carry out a planned program of business change
- To be considered as IT literate and fully conversant with the advantages that IT might bring to a planned program of change
- To understand concepts of risk management and have managed a risk management program over a portfolio of projects
- The ability to manage client expectations while retaining alignment over evolving business needs. This involves determination of project priorities, resolving conflict over resources, and agreeing additions and changes to the project plan.

2.2   Agreeing Strategy and Business Objectives

- Consider the assessment of impact of change within individual business areas and examine the factors that start change, for example, strategies, policies, and international directives
- Identify the benefits of proposed change and consider potential risk and impact
- Examine the initiatives to ensure that they remain aligned to both corporate planning and information technology strategic directions.

2.2.1 Assessing Impact on Business Areas

Program management assumes that most organizations have an enduring corporate plan, a statement of purpose (mission), and aims and objectives that support the implementation of the mission. Strategies and business initiatives work towards the refinement of the corporate objectives.

These objectives change with the moving business requirements. Strategic objectives are primarily geared towards starting business change improvements and are too broad to be solely carried forward as programs or projects.

Strategic direction is primarily concerned with addressing the impacts at a global or macro level of the business. Program management looks towards modularizing this into sets of projects that may be managed by one or more programs. As such the measurement of impact goes deeper into the individual business units within the

organization. Where no such corporate planning or structure exists it makes the concept of program management extremely difficult. Under that scenario the high-level planning procedure has to be much more detailed and precise.

You are primarily concerned with processes and the implementation of the program. Impact to individual business units should be measured in terms of cause and effect and consideration of both constraints and the benefits that are imposed upon the individual business area. These need to be measured very carefully to assess the dynamics that are imposed against individual business units. It is not your function to pass judgement on the merits or demerits of the change management plan being implemented, rather to provide constructive feedback into the high-level planning process on the ramifications of change in the program being implemented.

2.2.2 Identifying Relative Strategies

Your function should be started by one of the following:

- A corporate planning exercise
- IT strategy or other strategic planning exercise
- Organizational change
- Senior management initiatives, for example, improve business performance or reduce costs
- External influence, for example, government or holding company
- Business opportunity, for example, mergers and acquisitions
- Business transition plans.

It is important to remember your boundaries. You take your authority from an appointed management board. You are not necessarily responsible for interlock at the executive level, for example, a business transition program interlocking with the corporate planning requirements. The approach towards organizing a program should ensure that all the key responsibilities are clearly assigned. In large and complex programs, in general terms, roles should be full-time with additional support services. Smaller programs might simply involve the expansion of existing roles. In both cases all responsibilities should be clearly defined and assigned.

2.2.3 Identifying the Benefits of Change

You must be fully conversant with the benefits that the proposed change program is supposed to implement. These benefits need to be quantified in terms of cost, operational improvement, and human improvements. They need to be fully communicated to all areas involved in the change program. It is vital that this is accomplished early in the program. The concept of "winning hearts and minds" makes for a smooth transition and an easily managed program. In addition to that of being fully conversant with the benefits, you must also understand the negative elements in collaboration with risk and impact analysis. The emphasis here being to mitigate the negative influences to ensure that the benefits become the more dominant force. This can be complex and requires careful balancing. On the one hand, you must be careful

not to get into strategic interpretations and on the other refrain from delving too far into the more detailed aspects of implementation.

2.2.4 Considering Change Management Initiatives

The concept of successful change is viewed as a balance between technical adequacy and acceptance. Both of these are necessary if the change is to be successfully supported. The obvious danger is that if one is neglected in favour of the other. The most common failing is concentrating on technical adequacy of a problem while overlooking the problem of acceptance. The most important feature of acceptance is that it is wholly to do with people. In general terms people either accept or reject change plans. Passive acceptance normally leads to rejection. People accept change when they:

- Fully understand it
- Are willing participants and thereby feel a sense of ownership
- Have the requisite skills to make an active contribution.

These main ingredients are the key to a smooth change management process.

The ease with which change can be created depends upon how ready the organization is for it. Change in organizations occurs discontinuously with periods of upheaval separated by interludes of relative stability. Change often occurs in response to the arrival of a new leader or potential threats to the organization. Analysing readiness can help you decide where future effort might most profitably be invested to achieve the desired change. The response to influence change normally falls into one of the following categories:

Compliance I'm doing this because I have to
Identification I'm doing this because it is the way you have asked me
Internalization I'm doing this because it is my choice

Each of the responses implies that change has been accepted, nevertheless, there are advantages and disadvantages:
Compliance A coercive approach, works well with a strong disciplined management team. Advantage - it is decisive. Disadvantage
  - it does not promote individual initiatives.

Identification Acceptance is passive, which may cease when pressure of authority is withdrawn.

Internalization Generally regarded as the most enduring.

2.2.5 Starting the Program

To achieve the program objectives and benefits, a process is required to translate the strategic requirements into a program of work. Strategies define how aims and objectives are to be achieved.

The organization must agree and identify the strategic objectives for starting the program.

Defining the strategy provides the required input into program management. You would normally anticipate receiving the following documentation:

- A statement of strategic direction or set of business assumptions (objectives)
- Management and technical policies (organization issues)
- A technical framework for adoption or consideration
- Corporate planning issues appropriate to the program.

Supporting documents might include:

- Initial portfolio
- Change management or business transition plans
- Details of budgets, resources, other funding to be made available
- Business benefits case
- Results of preliminary feasibility study.

Where such input is not available you have a difficult startup position and must carefully examine how such a program might be constituted.

2.2.6 Program Objectives and Benefits Summary

- Identify a mission statement for the organization. This should be a long-lasting, clearly identified, statement of purpose.
- Clearly define IT strategic plan for the program or a statement of strategic direction that clearly sets out the business assumptions.
- Obtain all required inputs to this phase to find additional information.
- Define the targeted business benefits.

2.3   Prioritizing Opportunities

- Consider the impact of the change management programs on the individual business areas
- Assess the level of change and what this involves in terms of the effectiveness of the organization
- Examine the potential risks involved.

2.3.1   Conducting Risk and Impact Analysis

The purpose of risk and impact analysis is to assess the potential risk that change programs have on an organization. There is no proven scientific means of assessing risk and much of the technique can be down to personal judgement and experience. You should, however, try to approach the exercise in a logical manner.

The first step is to try to determine the different types of exposures faced by the program. This can be taken in a top-down manner, for example:

- No corporate strategy statement produced
- No official terms of reference
- Limited degree of management commitment.

Approximately 10 major items should be identified, and the next step is to prioritize these items in order of importance, rating them from 1 to 10, with 1 being the highest priority. It is then appropriate to go through each of these in turn and examine the potential risks involved from the areas of exposure. Weight each of these to give an idea of the gravity of the risk. For example, if no corporate strategy statement is produced, then

- Program may lack corporate direction - HIGH, increasing risk
- No interlock to technology plans - MEDIUM, stable risk
- No corporate measurements - LOW, decreasing risk.

2.3.2   Balancing Strategic Objectives with Program Management

The final step is to examine alternatives that might mitigate the risk and provide courses of action that you might be able to follow:

- Devise interim business plan with senior executives
- Program not dependent on corporate strategy.

Note: See the Risk Management Guide for more detailed information.

2.3.3   Assessing Change on Business Areas

There are three useful techniques you can use to analyse change, which help in deciding the action required in order to achieve it. They are:

- Force field analysis
- Pareto's principle

- Individual performance analysis.

2.3.3.1 Force field Analysis

Force field analysis (FFA) is a means of examining the positive and negative influences of change on an individual business area. It provides the means of examining polarizing forces (influences) where a change in one (+) brings about an equal and opposite effect in the other (-). It also provides a means of assessing the dynamics of the change influences, that is, determination of scale of strengths and weaknesses.

The more traditional approach of WHAT... IF... THEN... might also be adopted to examine the differing impacts and a means of putting forward initial risk avoidance proposals. It is important to remember that change is more complex the deeper it goes. Furthermore, the real challenge is getting people to accept it.

FFA presupposes that any situation is in a state of equilibrium at a given moment and that the forces of change balance those opposing change.

2.3.3.2 Pareto's Principle

This is often referred to as the 80/20 rule or the law of diminishing returns. In a consulting project there are always a small number of key factors that the consultant must heed and direct if the assignment is to be successful. Once these have been identified, you can then decide what needs to be accomplished and so set priorities.

2.3.3.3 Individual Performance Analysis

This technique helps to determine how the performance of an individual or groups of individuals can be improved. This can be rendered as an equation:

Performance = Direction x Ability x Motivation

2.3.4   Risk Factors

Before starting a planned program of change activities, you must determine the nature of risk and impact to which the organization is exposed:

- Identify the most important risk factors the program will face during the implementation cycle
- Assess these risks in terms of individual changes in the business areas.

The purpose of risk and impact analysis is to assess the potential risks that change has on an organization. This element of work is used in assessing the priority of the individual projects within a program. It considers the examination of alternatives and the forces of change.

2.3.5   Program Risk and Analysis Summary

- Identify the most important areas of risk impacting the program.
- Assess the gravity of the risk and likelihood of occurrence.
- Examine risk avoidance techniques.

- Look at possibilities of alternative approach.
- Assess the impact of change on the individual business area.
- Use proper scientific means to verify your assumptions, where appropriate.
- Document all assumptions.
- Group any areas of correlation in your findings.
- Discuss the results of the findings with the strategy planning team.

2.4   Agreeing Candidate Projects

- Select the group of projects to comprise the program
- Examine how the strategic objectives are balanced with the requirements of program management
- Analyse how projects are best structured to provide a manageable program.

2.4.1   Selecting Projects within a Program

Program management is the selection and planning of a portfolio of projects to achieve stated business objectives. It is the efficient delivery of these projects, within a controlled environment that maximizes the benefit for the business operation. Projects are the subcomponent where resources can be deployed to produce products. These can be tangible deliverables like the installation of computer systems or intangible softer deliverables like the improvement of staff skills in specific areas.

Programs require the support of the project management disciplines as defined by MITP. Projects are selected, therefore, on the basis of sound interlock procedures and "best fit" in terms of meeting the defined business objectives. As you are normally dealing with the implementation of processes it is important to understand the process architecture, thereby obtaining a laminated view of the program to be implemented.

It is important to understand the broad focus of the strategy level and the greater detail required to manage a program or portfolio of projects. Certain aspects need to be kept in alignment:

- The terminology used by managers of business areas (strategic level) and that used by functional specialists, for example, accountants, engineers, and technologists.
- Maintaining the level of understanding on the processes being implemented between end users, the supplier side, and business area managers.
- Concern for the broader strategic changes and the transition to a new business operation. You must manage the narrow focus on specific activities and channel resources to specific targets of the project. This means of alignment is not too difficult where a clearly defined business strategy has been set out. Where this is vague, then the exercise can become extremely complex. Under these terms you must work very closely to the original terms of reference and exercise a strong change control procedures.

2.4.2 Structuring Projects within a Program

At the top of the layer you would typically expect the strategy plan to define an implementation plan for business change. In essence, this should define the type, level, and number of programs that the strategy direction expects to be established and implemented. In this case you have a manageable and structured environment. Where this is not the case you must first develop comprehensive terms of reference upon which change control procedures can be implemented. Some programs might proceed only when formal strategic planning is in place.

The next step would be for you to formulate a clear model of the business operation and develop your own "blueprint for change". This must be maintained and managed throughout the complete life cycle of the program implementation. It is from the blueprint that you would typically expect to refine the project structure into a set of programs for implementation.

The program management team is responsible for planning the business transaction path from the current operational areas to the future operational requirements.

2.4.3 Program Outline Plans

Once the preferred set of programs has been selected, outline plans for each program should be developed. This should include:
- Structuring the first block of projects in detail and an outline of project implementation to conclusion.
- Identifying the key projects within the program.
- Completing a risk analysis.
- Identifying all of the infrastructure requirements.
- Completing the planning requirements covering organization, objectives and implementation.

Define and document each identified program in a program brief. From this an outline business case can be developed in order that financial approval and budget allocation can be made for the program. This exercise is essential for the first block of the program. You don't need to conduct program identification for the second and subsequent blocks, however, you must exercise change control against the approved master document.

2.4.4 Program Identification Summary

- How strong is the success case for each program, considering individual business justifications?
- Is there a strong business sponsor supporting the program objectives?
- Are the realizable benefits tangible? How are the less tangible benefits supported?
- Are the portfolio of projects complimentary in giving improved benefits?
- Is there a good technical fit between projects?
- Has information technology been put to good advantage?
- How robust are the business objectives over the program life cycle?
- Does the program have adequate funding?

- Does the program have an expedient decision making process in place?
- Has the program brief been completed?
- Have all program environment issues been addressed?
- Have all the program and project managers required been identified?

2.5   Defining and Documenting Program Groups

- Define the individual program groups where there is more than one program running
- Identify the MITP documentation requirements and develop appropriate business cases
- Identify procedures for obtaining authorization.

2.5.1   Defining Program Groups

Programs could be selected on the basis of planning to target the operation of a whole business area. It is essential that this has both the commitment and involvement of management at the appropriate level, for example, company, business, or department.

Programs should be used when one or more of the following conditions apply:
- Shared objectives
- Management of complex change
- Shared resources
- Advantages of scale.

How programs are grouped is really a question of trying to align the implementation planning with the strategic planning. This in turn constitutes the blueprint. This is the architectural change plan for the business operation. The complex aspect of this is the interlocking of the two plans to ensure that the implementation program achieves the strategic objectives. There is no scientific means of explaining this, but there are a number of constants that must be present:
- Management commitment
- Experience in program management, normally elevated from complex project management
- Managed flexibility that facilitates expedient decision making, rapid communications, managed risk, change control, and quality maintenance.

Alignment is an essential part of program management. You must ensure that the original strategy or planning objectives remain constant and focused throughout the life cycle of the program implementation. Where these start to deviate they should be treated as exception conditions.

Having selected the program grouping of projects to achieve the considered best balance between strategic objectives, affordability and acceptable risk, you must record and maintain certain key documentation:
- The blueprint throughout the life cycle of the program
- The alignment assumptions, between strategy and program implementation which support the blueprint

- The assumptions on costs and attainment
- An organization structure and procedures to ensure successful execution of the program.

2.5.2 Developing the Business Case

One of the most important aspects of program management is the support for senior management to keep activities focused on business change objectives. Broadly speaking, the business cases are part of the overall strategic direction. Nevertheless, you have considerable interface with the operational managers, which means you must have a clear understanding of individual business cases and the benefits that change brings. This in turn stimulates a degree of feedback and it is important that this is fed back through the cycle to the strategic planning team. This degree of interaction between you, operational managers, and strategic planners is an important part of fine-tuning the program.

2.5.3 Getting Authorization

Authorization comes from a program executive organization or program board. Sitting on the board is the program sponsor. Formal reports go to the board and it is the project sponsor, on behalf of that board, who should provide any formal authorizations and sign-offs required. The sponsor may also be the acceptor of the program but this is not always the case. The latter may be delegated to operational levels.

2.5.4 Selecting Programs

Select as a program the best group of projects to achieve the ideal balance between strategic objectives, realism, attainment, cost, and an acceptable level of risk. The program blueprint and support documentation should achieve this objective to obtain authorization for the program to proceed.

The program blueprint is developed to its full potential in the program definition statement. The objective of program identification is to put together the framework upon which the blueprint can be constructed. It considers the grouping of projects that constitute the entire program of development.

2.5.5 Program Identification Grouping Summary

- Has each project been defined within the context of the overall program?
- Has authorization been obtained for the business case?
- Has the MITP control log documentation been recorded and entered in the log?
- Have the boundaries of the program been clearly identified?
- Have all organization charts been completed?
- Is the role of the program sponsor clearly defined?

3   Establishing the Program

Program establishment takes the input from the program identification phase and looks towards consolidating the program environment.

Having been appointed as the program manager, you are responsible for moving it forward. The program brief needs to be fully communicated to a larger audience and all concerned with the program made aware of its objectives.

You work with the program executive in ensuring that the appropriate controls and infrastructure for the program are put in place.

The main deliverable from the program establishment phase is a program definition statement, which must be approved and funded before proceeding with the program management phase.

The objectives of this phase are to:
- Establish the program management procedures to ensure the successful implementation of the program blueprint
- Ensure that all participants are made fully aware of the program objectives
- Develop the blueprint that forms the nucleus of the program definition statement
- Define in detail the interdependencies between all projects in both this program and any other program being executed - these should be documented in the project briefs
- Consolidate and refine the business justification for the program
- Establish the management system for realizing benefits.

Subtopics
3.1   Program Development Life Cycle
3.2   Organizational Issues
3.3   Program Definition Statement
3.4   Defining Project Briefs
3.5   Managing the Program Benefits

3.1   *Program Development Life Cycle*

As well as taking the program forward into implementation, you must also:
- Finalize the program definition statement
- Communicate the first project briefs, appropriate to the first block of the program
- Ensure that the benefits of change are clearly communicated and an appropriate measurement and control system is in place.

It is important to recognize that the implementation of programs is normally a lengthy exercise, typically between three and five years in a program development life cycle is not uncommon. Despite the timescale, program establishment only deals with the first block of work aiming at a state of stability. Here a further evaluation takes place and the work continues in series of blocks until the program is implemented. The program gains in strength and significance as each stable state is reached. The outlook cannot, in real terms, exceed 12 months because of agreement with financial statements, budgets, financial planning, and strategic objectives, most with a telescopic vision of 12 months. Under this scenario, lengthy programs have to be reviewed and modified to accommodate change. Therefore flexible programs have a far better chance of successful implementation.

3.2   *Organizational Issues*

- Consider the organization structure for the program.
- Start building an overview of the program and the detailed projects in the first block.
- Integrate with the development of the program blueprint (the design for program implementation).

3.2.1   Identifying Phases and Blocks

You must agree, at least in concept, with the sponsor the required phases and blocks for the program. This means carefully examining the business planning terms of reference from a current position to the desired position of where you want to be.

This is a complex exercise as there are a number of key inputs that should interlock to obtain the desired result, that is, the program for change. In between the blocks there should be "stop off" points called islands of stability. These allow for potential reviews and changes in direction while retaining program integrity.

3.2.2   Defining Organizational Requirements

You must define all organizational requirements that impact the program implementation.

All organizational issues that impact the product should be fully documented. This is fairly broad, but must reflect those issues that have a direct impact on the program, that is, the program reflects change in these areas and those indirect issues that might be impacted as a result of the program implementation. This is a fairly subjective exercise, however, but it should be an important feedback item to the strategy/planning team.

3.2.3 Organizational Structure Summary

When defining the organizational requirements of the program you must complete everything you consider appropriate, including:

- Program organization chart
- Defined roles and responsibilities within the program
- Environmental issues, program office requirements
- Inputs to the program, for example, business planning, terms of reference
- Areas of sensitivity
- Parameters or boundaries of the program
- Key contacts within the organization
- Interfaces, areas of support required for the program
- Communications
- Measurement and control procedures.

3.3 Program Definition Statement

Develop the blueprint of the program and incorporate plans that comprise the full program definition statement. It is important that the plans are accompanied with explanatory narratives and packaged into a formal program definition report. This must be accomplished through a formal communications plan.

3.3.1 Developing the Program Blueprint

The blueprint for the future business operations is used to identify what facilities, systems, and changes in behaviour of staff are required to implement the program. The blueprint enables the definition and scope of individual projects to be compiled - those which constitute the program.

An important consideration is that the blueprint considers that a feasibility study has been conducted and this is a major input to this process. The feasibility study has defined the scope of the program, the structure and tactics for implementing it and an evaluation of alternative approaches with appropriate risk analysis. This should be a viable exercise for large programs (between three and five years outlook), but would be essential as an exercise for the first block of the program.

You should preferably link the feasibility study and blueprint into one activity set. The blueprint must provide a clear vision of the future and the benefits that the proposed changes of the program will bring about, in particular:

- Specify the new processes that the program is expected to develop
- Define all potential benefits, both tangible and intangible, relate this to the changes that the program will bring about
- Communicate dialog between the program team and the operational areas
- Promote a common expectation of the change, how it will affect people and the commitment that is required to achieve the desired results.

The blueprint should contain the following type of information:

- Organization charts, roles, and skills
- Business models of function, activity, language, process, and behavioral views

- Operational measures of cost, performance, and service levels
- Management information systems, databases, file structures, physical environment considerations, and information flows
- Support services, costs, performances, and service levels.

You should preferably design the blueprint using a suitable design tool that will create an automated repository, thereby linking concepts of numerical data with graphical design. Cross-validation is extremely important between the various models being produced.

When compiled, the blueprint is the key input to the business transition plan, which shows how improved business operations are to be achieved and how best to manage the business transition from the target business are to the new operational environment.

3.3.2 Benefits Management Plan

The management of benefits are fundamental to the objectives of program management. It is important to identify planned benefits and how these are to be achieved. Programs are at their peak of success when they are "owned" by all who participate in them. This means a clear level of understanding and the planned improvements (benefits) that change will bring about. Benefits should be identified in the project definition statement, this input is used to plan these and communicate same. This should include:

- Benefit profiles
- Performance measures
- Benefits management plan
- Roles and responsibilities in benefits realization

3.3.3 Business Transition Plan

The business transition plan is compiled from the blueprint. It is concerned with how the improved business operations will be met. The plan should include:

- Introduction of change and new working practices
- How new procedures are to be developed including work flows
- New roles and responsibilities in organizational change
- Training plan
- Data conversion (where appropriate)
- Project deliverables
- Accommodation changes
- IT and communication requirements.

3.3.4 Risk Management Plan

The program definition statement should contain a risk management plan.
This should at least cover:

- Clear identification of all risks impacting the program
- A log of the risks in, for example, MITP control log format
- Assessment of the risks

- Risk avoidance techniques and counter-measures
- Plans for monitoring and controlling risk
- Dynamics of the risk, that is, increasing, decreasing, or stable
- Detailed plans including schedule, milestones and review points
- Roles and responsibilities.

3.3.4.1 Strategic Level Risks

Consider what would happen if you failed to realize the business benefits. Examine the drivers and retainers. There are very powerful drivers, for example, political pressures, boardroom influences, or new initiatives during course of program implementation. Retainers can be:

- Failure to achieve a common understanding among the senior business managers and the program management team implementing the business change
- Interdependencies between the programs
- Changes at the strategic level where the organization is expected to respond quickly.

3.3.4.2 Program Level Risks

Project interdependencies may change. Take care to ensure that the program benefits are not frustrated. Expectation management is vital to controlling risks.

3.3.4.3 Project Level Risks

The most vulnerable area is that relating to the availability of people and resources - retaining people with the right skills throughout the life cycle of the project. The concept of "handovers" in mid-project can potentially destroy the integrity of a project.

3.3.5 Communications Awareness Plan

It is important that the business change objectives and benefits are fully communicated to all involved in the program. This should be conducted by a communications manager who reports directly to the senior executive of the organization. It is important that communications are brief and to the point. They should be unambiguous, clearly understood, and provide the opportunity for further dialog.

This plan needs to be developed alongside other plans in the program establishment phase namely:

- Design management
- Program quality
- Project blocks
- Resourcing
- Financial.

3.3.6 Program Definition Narrative

The program definition statement, in addition to planning statements and business models, should be maintained by supporting narratives. This is an important part of the communication process. The program definition statement is reviewed regularly by the program team and it is important that the statement reflects all changes made to the

program. It should continue to chart the future objectives and plans to achieve them. The narratives also forms an important part of the MITP control log.

3.3.7 Program Definition Statement

Planning is vital to a successful program definition statement. It is important to understand to what extent the feasibility study and blueprint of the future business operations are related as they are two main components of the program definition statement.

The feasibility study should examine whether the program terms of reference and objectives can be carried through to a successful implementation. The study should consider items of cost, benefits, alternatives, and risk. The blueprint or design of the program should be prepared from the results of the feasibility study. The blueprint must demonstrate a clear vision of the future business operations:

- Specifying all the new processes for the business operations
- Defining the potential benefits resulting from the program
- Opening communication channels between all involved with the program
- Promoting a common understanding of the program objectives and ensuring the right levels of commitment to make it happen.

3.3.8 Program Definition Statement Summary

You should complete the following items:

- Feasibility study
- Program blueprint or design for the program
- A business transition plan
- Risk management plan
- Project blocks plan
- Design management plan
- Program quality plan
- Resource plan
- Organization plan
- Business case and budgets.

3.4 Defining Project Briefs

- Define the first project briefs within the first block of the program. Further develop the business at the operational level providing feedback to the strategic planning team.
- Gain appropriate funding approval for the programming implementation.

3.4.1 First Block of the Program

The individual project briefs set out the requirements, at project level, for the first block of the program.

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The requirements should aim to summarize the results of the program definition statement and clearly set out the individual project objectives as they relate to the overall program of requirements.

3.4.2 Developing the Program Business Case

The purpose of developing the business case is to demonstrate that the risks have been reduced to acceptable levels. In that sense it is very closely related to the completion of the risk and impact analysis.

The business case must demonstrate that the program is:
- Understandable
- Achievable (realistic not idealistic)
- Affordable
- Measurable
- Beneficial
- Manageable.

The business case must also demonstrate that the program has organized the projects in the most cost effective and beneficial way. It must show a smooth transition from the current business state to that of the required business state. This involves carefully mapping the projects, reducing elements of hidden complexity, and keeping the number of project dependencies to a minimum. Assessment is achieved by examining the current business operations, including expenditures incurred to maintain the present level of efficiency and effectiveness.

3.4.3 Approval for Program Funding

The business case, as developed initially in the program identification phase, is further developed from the findings of the feasibility study and blueprint. To be successful, the business case must relate costs to business benefits, using methods of investment appraisal and techniques of cost benefit analysis. Owing to the fact that a program aims to improve business operations by managed change, its business case must be extremely robust. Approval to spend money is normally granted and determined at the project level, nevertheless the program must endorse what is a total investment showing what the potential returns on investment. This is particularly important where the programs are long, for example, between three and five years, and they require a high degree of initial capital investment.

3.4.4 Project Briefs

The project briefs should clearly identify the first or initial set of projects in the first block of the program. What are the key requirements to accomplish this exercise?

The individual project briefs set out the program requirements at the project level. They summarize the results of the program definition statement, but categorize at the individual project level. The following should be included within the project briefs:

- Established program management organization and procedures
- Requirements of the program office
- Defined work plans at program and project levels
- Established benefits system
- Results of the feasibility study
- The program blueprint
- How the projects and program will be managed
- How communications will work
- Project reporting requirements
- MITP project control procedures
- Expected results from first block
- Interlock procedures, including dependencies on other projects.

3.4.5 Program Establishment Summary

- Has the feasibility study been conducted?
- Have all the requirements for the program definition statement been completed?
- Have project managers been appointed?
- Has the communications plan been implemented?
- Is the program office fully implemented?
- Have the project reporting requirements been clearly defined?
- Ensure that the MITP program control log is operational.

3.5 Managing the Program Benefits

- Establish the program benefits brought about by the initiation of change in the program implementation.
- Confirm that the measurement and control procedures are in place.
- Further develop the communications plan to ensure that the benefits are properly communicated.

3.5.1 Establishing Program Benefits

Benefit profiles describe where and how the program benefits are planned to be achieved with the management plan providing a schedule for their delivery. Initial assessment is made as part of the feasibility study and subsequent blueprint.

The benefits management approach is a structured approach that focuses on:

- Identifying the business benefits from the program
- Planning how the benefits will be achieved and measured
- Allocating accountability for successful implementation
- Monitoring the progress in achievement of the benefits.

Within the program identification phase, the benefits for each program should be documented in a benefits framework. This should clearly set out:

- A description of the anticipated benefits
- The business process that will be affected
- Interdependencies between processes
- Current and target performance measures.

During the establishment phase, this is further developed during the feasibility study into a formal set of benefits profiles:

- Identifying the Program Benefits framework
- Establishing the Program Benefits profiles and benefits management plan
- Managing the Program Reassess and update the benefits profiles
- Ending the Program Benefits achieved and benefits review report

It is important to ensure that the benefits program is fully communicated to all those involved in the program implementation life cycle.

3.5.2   Procedures to Measure and Control

Program control is maintained through a regular control cycle, which examines variances from planned objectives and takes corrective courses of action. The cycle needs to be defined at the outset of the program.

Measurement procedures examine the degree of success over planned objectives during the life cycle of the program. This does not necessarily stop when projects have been implemented: it may take several more months or longer before a true determination can be made on the implementation of program objectives.

It is here that program management is much more closely aligned to strategy and business systems planning in the measurement of its degree of success or failure.

Control procedures need to be put in place to monitor changes in the program and to maintain a degree of consistency over the work processes and deliverables. MITP defines both control forms and procedures for project management, these may be adopted for program management at both the program and project levels.

Measurement becomes easier to quantify over time as objectives become ratified and more clearly defined. Consider the following:

- Degree to which individual objectives were achieved and implemented
- How many exception conditions were generated
- Alignment to the original blueprint
- How the benefits were attained
- Improved operational efficiency
- Savings in terms of cost
- Improved revenue generation
- Business growth potential
- How well the interlock procedures worked
- Alignment to original strategic objectives and corporate plans.

3.5.3 Key Benefits

Identify the key benefits that the program change will bring about. These must be quantified and be realistic. You must develop a plan to show how these will be achieved.

The benefit profiles that are compiled are used to describe the benefit types and how these will be achieved. They form an important part of the program business case. The benefits management approach is a structural approach that focuses on:

- Identification of the business benefits from the program
- Planning how the benefits will be achieved and measured
- The allocation of accountability for successful implementation
- Monitoring the progress in achievement of the benefits.

3.5.4 Benefits Summary

- Complete individual benefits profiles.
- Compile a benefits management plan.
- Plan how the benefits can be measured.
- Identify tangible and intangible benefits.
- See if benefits can be measured in terms of cost, that is, revenue generating or cost saving.
- Ensure that continual assessment can be done.

4   Managing the Program

The program management phase carries out the plans that were documented in the program establishment phase, in particular, those contained within the program definition statement. The objective is to implement those projects to obtain a smooth transition to the new business operating environment.

This focuses firstly on the first block of projects and ultimately completion of all defined projects within the program.

The main objectives of the program management are to:
- Maintain the communications program to ensure appropriate understanding and conformity to the program objectives
- Ensure that the project portfolio is satisfactorily implemented and a smooth transition to the business operating environment
- Ensure that the target program business environment is adequately prepared for the future changes and may take advantage of the proposed business benefits
- Monitor compliance with the program blueprint design and ensure that policies and standards are consistent with corporate requirements
- Make sure that both benefits and risks are properly managed throughout the program.

The individual projects for the first block of the program are commissioned. You commission these projects within a project brief which states:
- Project terms of reference
- The budget to complete
- Project timescales
- Project deliverables.

Within the program management phase you:
- Complete all communication activities.
- Monitor progress against the program definition statement with particular emphasis on the program design.
- Manage the benefits management objective towards realization of targets.
- Ensure business transition steps are implemented smoothly.
- Manage risk to an acceptable level of responsibility.
- Ensure that the project portfolio is completed on time, within budget and to an accepted level of quality.
- Maintain program-wide quality assurance (QA).
- Manage resource plan.
- Measure performance achieved against the business case.
- Complete any corrective action necessary to retain the overall integrity of the program.
- Resolve areas of conflict.
- Maintain the program definition statement.

Subtopics
4.1   Starting the First Block of Program

4.2   Managing the Program

4.1   Starting the First Block of Program

- Complete information on those activities required at the commencement of program management
- Focus on the commissioning of projects and expand on the initial project briefs.

4.1.1 Starting Program Management

Program management looks towards starting the first block of projects within the program. The set of projects for the first block is considered to be commissioned and forms part of the first phase of implementation.

4.1.2 Commissioning Projects

You are responsible for commissioning these projects and establishing a project board for each project.

The project board for each project should set out individual project briefs to include:
- Terms of reference which define individual project scope
- The budgeted funds allocated to complete the project
- The estimated timescales for the project
- Identified key deliverables from the project
- Project milestones
- The final output of product.

Each project becomes a contract between the program manager/ sponsor and the project board. Additional funding might be required at the project level, where the broad funding for the program does not cover this. This must be properly tracked so that the overall costs for the program may be ascertained.

4.1.3 Program Funding and Authority to Proceed

A program definition statement is required with appropriate levels of program funding and authority to proceed.

Re-examine individual project briefs and ensure that these are properly communicated to the individual project managers. You must establish project boards for each of the individual projects. You must also carefully coordinate QA activities. Identify interdependencies between projects from the outset, with particular reference to critical path items. It may be appropriate to assist the project manager with the overall project planning procedures. There should be a high-level of consistency in approach and conformity to MITP standards. This is essential in assisting the consolidation of activities and interlock procedures in the program plan. The program office should be heavily involved in the monitoring of these activities.

4.1.4 Program Confirmation Summary

- Ensure program definition statement is completed
- Scrutinize levels of funding
- Re-examine project briefs
- Establish project boards
- Maintain communications program
- Assist project manager in setting up planning
- Integrate QA procedures down to the project level
- Ensure outputs and deliverables are clearly identified
- Examine interlock procedures.

4.2 Managing the Program

Focus on those tasks involved in the execution of the program.
Examine the management of the business transition process and how to manage and maintain the project portfolio.
Take a wider perspective of program activities throughout the organization
Consider how corrective actions are approached in order to obtain programming integrity.

4.2.1 Managing Business Transition

You are responsible for the overall coordination of managing the projected change in the individual business areas. These should conform to the overall program objectives and measured accordingly. Identify any deviations or areas of low performance and implement an appropriate plan of action to rectify the situation.

You should ensure:
- That all projects are implemented on time and within budgets allocated. This should embrace all transition activities to agreed performance targets.
- That staff in the operational areas have been properly trained, appropriate handovers have taken place, and motivation is maintained at a high level.
- Adequate technical resources have been assigned at the project level - it is important to maintain a level of momentum at the project level.
- That the business area staff are doing all that is required to realize the change objectives and realization of benefits.
- No counter-strategies are implemented that divert away from the desired results.
- Proper reviews take place and monitor progress on the program design.

4.2.2 Program-Wide Activities

Together with the activities being carried out in the project portfolio, you must examine the effects of any changes on the organization as a whole. This can be complex and the results of such changes may take many months to surface.

This exercise should be accomplished together with the strategic planning team. You and sponsor should brief the strategy team on areas where potential change is expected to arise, external to the program boundaries.

You should:
- Manage change over the program-wide architecture
- Monitor compliance with policies, standards and methods
- Maintain program level change control
- Monitor technical risks
- Ensure all QA procedures are being followed
- Coordinate communications
- Monitor and reassess the benefits profiles.

4.2.3 Managing the Project Portfolio

You manage the project portfolio together with the program support office.
You should:

- Maintain program plans and monitor all progress reports at the project level.
- Ensure good communications amongst all involved in the program implementation.
- Manage the critical path items with particular focus on project dependencies.
- Ensure proper handover procedures take place at the operational level.
- Maintain QA over all deliverables and products being produced.
- Maintain management over risks and ensure swift resolution of problems.
- Facilitate an expedient decision making process.
- Ensure projects are closed properly.

4.2.4 Taking Corrective Action

You should start any corrective action, where necessary, to protect the integrity of the program. When you think this is outside your scope of authority, you should then escalate to the program sponsor. Where the ramifications are far reaching it may involve suspension of the program or even reworking some of the critical components, for example, program definition system or program blueprint. All corrective actions must be thoroughly documented in the MITP program control log.

4.2.5 Commissioning the First Block

You commission the first set of projects in the program after you are satisfied that:

- Terms of reference are approved
- Funding is adequate for the program
- Implementation plans are approved
- Program definition statement is approved
- Deliverables and product are identified
- Resource infrastructure is in place
- Management controls in place.

4.2.6 First Block Commission Summary

- Have all the communications briefs been completed?
- Is the blueprint, within the program definition statement signed off and complete?
- Is the benefits management system completed?
- Are plans in place to manage the business transition activities
- Is a risk management system in place?
- Project portfolio in tact?
- All QA procedures identified?
- Resource management plans in place?
- Plans for monitoring and measuring external influences?

- Project dependencies identified?
- Method for monitoring standards and compliance with the design.

5 Ending the Program

Ending the program examines the end of each block of projects in the program life cycle until ultimate completion. This can be an iterative activity, where you go through a series of refinements until you are satisfied that the program benefits have been realized. This is what makes program management different from project management.

You are responsible for delivering a successful program implementation. You remain on the program after implementation, in terms of assessing the longer term benefits, fine-tuning the operation, and ensuring strategic ambitions are met down to the operational level. This can often be measured in terms of years, as opposed to months (normally associated with project completion).

All projects in the portfolio of the program block will have delivered both new products and changes to the target business operations. These business areas should now be in a position to start exploiting these new found benefits. There will continue to be, however, ongoing stages of refinement or fine-tuning to ensure these are fully realized to their maximum level of capability. The program management activity in the fourth phase is focused on ensuring that benefits emerge and become tangible measurable events that ensure that program definition statement targets are either met or exceeded.

The objectives of this phase are to:
- Ensure that each block of program development delivers the programmed projects and benefits that each should realize.
- Approve each block and make graded improvements through subsequent program development.
- Assess individual business areas target performance, against the planned design shown by the blueprint, as contained within the program definition statement.
- Provide corrective action statements for areas of considered shortfall to ensure that such actions are implemented and their results measured.
- Seek additional areas of benefit, examining the value added opportunities that might result from the facilities being delivered.
- Complete the learning process involved. Lessons that are learnt from each block should be fed back into subsequent blocks. Such results must be a process of continued refinement to final implementation of the blocks.
- Close the program down at the end of the final block. Although there has to be some formal date of program completion, the reality is that the Program Manager is often retained on a consultancy basis for a considerable time after completion of the program.

Ending the project sums up all the planning and effort that has been expended in the preceding three phases. It justifies the results of the program by measuring improved operational benefits in terms of both money and efficiency, that is, it optimizes the program. To achieve the fastest operational benefits, which produce the best cost returns, you must go through a fine-tuning exercise. This justifies why projects, contained within the program, are placed in a series of blocks with appropriate landing stages (islands of stability) where it is possible to stop and take stock as the implementation progresses. Each stop-off should continue to produce better results until ultimately the optimum performance of the program has been achieved. The

optimum performance must be made by management with balanced financial considerations.

Each block may extend for many months after the individual projects, contained within it, have gone live. The activities to realize the benefits may continue well into the second and subsequent blocks before they are fully realized. This indicates that there will almost certainly be continued overlap between blocks contained within a program. This makes on-going evaluation and fine-tuning a complex process it further indicates the justification for retaining the services of the Program Manager after completion of the Program in order to track all of the business benefits that are ultimately realized.

Subtopics
5.1   Assessing Block Completion
5.2   Monitoring Results
5.3   Fine-Tuning the Business Operations
5.4   Reviewing Program Benefits

5.1 Assessing Block Completion

- Assess the results of the program management phase.
- Consider the effectiveness of the operational managers in managing change and realizing the program benefits.
- Cross-examine the blueprint for both change and completion.

5.1.1 Assessing the Program Management Phase

The program management team is responsible for carrying out a block completion assessment. The objective being to examine the value of the progress to date and how successful each of the individual projects has been. It will need to plan how the activities of the program can be optimized and plan for any corrective action that may be required. You must:

- Ensure completion of all end of block projects, monitor benefits progress into subsequent blocks, and where there are dependencies between projects in this block and subsequent blocks.
- Review all plans, produce variance analysis, and action any adverse variances to correct the balance.
- Define any additional projects that result. Ensure that these are properly mapped back into the blueprint and modify any other necessary documentation, for example, the program definition statement.
- Review the effectiveness of the management methods and how they are attempting to realize the benefits program. All results should be documented so that the lessons can be carried forward for future improvements.

Ensure that all of the processes, as defined in the program blueprint, are achieving

5.1.2 Assessing the Management Approach

Management styles and approaches vary. It is important to assess how individual managers go about realizing the program benefits. This is really a two-way process in the sense that both help can be provided from the program office, while at the same time it constitutes a valuable learning process in determining the organizational management style. This will help in the long-term measurement of the program objectives, provide valuable feedback to the strategic planning team and help in fostering cultural change (where this is desired) to an appropriate management style considered consistent for the organization.

5.1.3 QA Blueprint for Completion and Effectiveness

It is important to ensure that QA is conducted over the integrity of the blueprint, as retained in the program definition report. At the end of each block you must be assured that all has gone to plan. In this sense the blueprint of design is considered the master plan. Where all has not gone to plan then both adjustments and corrective action will be required. The following are typical examples of where this might occur:

- Not all of the products have been delivered
- Areas of support service are not maintained

- Business operation areas are considered unstable
- Failure in some degree by the business operational areas
- Dependencies are not properly managed
- Lack of realism in planning, that is, planning is idealistic
- External circumstances change
- Political or policy changes at strategic level
- Organization perceptive of program changes.

When determining how to proceed in the QA of the blueprint:
- Carefully consider whether any of the changes require a rework of tasks completed in previous phases. This may be a modification or a complete rework of a particular step.
- It is essential that the program definition statement continues to retain both its validity and integrity. This should be accomplished at the end of each block until the program is complete. It is important to exercise version control over this so that changes can be examined.
- It is important to retain the communication channels throughout the program accomplishment. In particular, the feedback in communications to the strategic planning teams, the business operations managers, the program sponsor (executive board), project managers, and other planning teams. The program office forms a vital lifeline in this respect.
- Where extreme circumstances show the program to be failing, then consider closing it with an appropriate justification statement.

5.1.4 Completing the First Block

Completion is indicated by all of the first projects being completed to the first stage of stability. This indicates that an end of block assessment is called for to examine the projects and take stock of the consolidated program activities at a point in time. In addition, this assessment also plans the approach to the next end of stage assessment.

5.1.5 Block Completion Assessment Summary

- Have all of the projects within this block been completed?
- Are there any identifiable show stoppers?
- Have you checked planned results against actual results?
- Have you defined any additional projects that are needed?
- Have you checked results back to program blueprint?
- Have you updated the program definition statement and other documents sets where required?
- Have you noted any training requirements?
- Ensure planned processes of blueprint are operational.

5.2   *Monitoring Results*

Assess performance on individual business operations and fine-tune the target business environments.

Prepare statements for corrective action where considered appropriate and revise the program definition statement where any changes have occurred.

5.2.1   Assessing Performance on Business Operations

The program blueprint should try to reflect the end result of the program and be as near to reality as possible. Nevertheless, it will be the individual business operations areas that will fine-tune the design to meet their specific needs it is here that optimization of the design process will take place. To achieve this there must be very close working cooperation with the program management team and business operations staff.

5.2.2   Fine-Tuning the Target Business Environment

When fine-tuning the target business environment you should:

- Examine business procedures for improved levels of efficiency
- Examine individual job functions and modify where appropriate
- Review organizational job specifications
- Improve levels of training
- Examine supporting documentation procedures
- Examine use of information technology
- Improve support services
- Review quality management systems
- Examine corrective action statements
- Examine levels of funding
- Revise key documents, for example, program definition statement.

5.2.3   Taking Corrective Action

To ensure that the end result meets a consistent and accurate design statement, you must ensure that there are very few deviations from the program blueprint. Where there are acceptable deviations, then these should be documented and the program blueprint adjusted accordingly. Where such deviations are not accepted, then you must consider corrective action. In essence this should represent a statement indicating the decision-making process and what actions were recommended to remedy the design deviation. You must examine these thoroughly and ensures that such recommendations were followed through into implementation.

5.2.4   Revising the Program Definition Statement

The program blueprint is an essential part of the program definition statement. You must ensure that any changes to the overall design are reflected in subsequent changes to

this master document. Configuration management and version control are, therefore, an important part in the overall maintenance of the program definition statement.

5.2.5 Maintaining the Program Definition Statement

Changes that have taken place in the implementation of the first block of projects should have been reflected in both the program blueprint and the program definition statement. Corrective actions must have been taken to ensure that unpredicted design deviations were documented and due alignment made to the overall program design.

It is inevitable that changes will take place, and no design statement can be considered perfect first time. Some changes will be acceptable and others not. In either case the blueprint, or design statement, must be maintained in an up-to-date position at all times. Final benchmarking of success is made against both the program definition statement and blueprint and, therefore, accuracy and attention to detail is important here.

5.2.6 Program Changes Summary

- Have changes to the design taken place during implementation?
- Have these been checked back to the blueprint?
- Has all documentation been updated, that is, the program definition statement and blueprint?
- Have the benefits profiles been examined?
- Has any corrective action been subjected to QA?
- Have project dependencies been examined?

5.3 Fine-Tuning the Business Operations

Continue final refinement to the business operation area. Where additional funding is required, raise the relevant approval sanction documents.

5.3.1 Final Refinements to Business Operations Areas

The program blueprint, as contained in the program definition statement, must reflect, as far as possible, the final outcome of the program implementation. Similar to any design plan there will always be a requirement for fine-tuning of activities at the operational level to maximize the benefits that can be derived from the resulting change procedures. To accomplish this objective the program office works very closely with the business operations manager to offer required support and advise on maximizing the potential of the program design. Typical areas for potential review are:

- Individual job functions
- Organization structure
- Individual business procedures
- Training
- Documentation
- Support services
- QA procedures.

5.3.2 Getting Additional Program Funding

Where additional projects are identified, additional resources required, or projects extended, then you must get additional funding. You must raise a cost justification statement and submit it to the program sponsor for auctioning. Where additional funds are not approved under these circumstances, you are faced with an exception condition. You can either:

- Suspend the program pending the results of a formal risk analysis study.
- Accept the decision, continue without the funding, and prune down accordingly.
- Close a specific project diverting the funds to where they are needed. This will impact the blueprint and program definition statement, so wide consultation is needed.

5.3.3 Revising the Program Definition Statement

The program definition statement, particularly the blueprint, should be revised and updated whenever a change to the program occurs. Configuration control over the program definition statement is, therefore, essential.

Any project implementation during the program management phase resulting in any changes that impact either the blueprint or the program definition statement should be documented. You should also document additional refinements made to improve the operational efficiency, over and above that specified by the program design.

Where modifications occur they may require additional funding over and above that which has already been allocated to the program. You must raise special approval under

these circumstances. In addition, any such changes have to update previous documentation, for example, the program definition statement, blueprint, and terms of reference.

5.3.4 Program Definition Statement Revision Summary

- Can changes to the program be identified?
- Has this impacted the cost allocations in any way?
- Is additional funding required?
- Have supporting document sets been updated?

Have changes been properly communicated?

5.4   Reviewing Program Benefits

- Establish what constitutes the success criteria for projects within each block of the program.
- Assess the performance of the benefits on the actual results achieved against planned.
- Examine any change against the program blueprint ensuring adherence to the original design concepts.
- Package the findings in a final report showing the program benefits and defining where areas of shortfall have been identified and corrective action taken.

5.4.1 Establishing Success Criteria

The success criteria for review of project deliverables should have been established at the outset of the program. This should be revised in accordance with other key documents, like the program definition statement and blueprint. You are responsible for this ongoing maintenance activity. All of the program's development effort and cost should be directed towards a common set of goals with a clear understanding as to how these will be achieved. It is the performance measures, as specified in the program blueprint, that will normally provide the basis for any review procedures.

5.4.2 Assessing Actual Performance Against Planned

The business performance review normally measures actual results obtained, as part of the program implementation, against planned results expected. This should be quantifiable in numerical terms, normally cost, for example, expenditure, improved revenues expected. In turn, this can produce a variance analysis showing favourable or adverse results. The adverse results normally call for some form of corrective action.

All reviews must be constructive and not turned into "witch-hunts" looking for scapegoats to blame for poor or unexpected results. The cooperation of all involved is essential if poor situations are to have proper remedial attention applied to them. Reviews should normally be conducted by people who have not been directly involved in the program, in this way a balanced and objective view is possible.

5.4.3 Assessing Change Against Blueprint

You must assess the performance of change against the program blueprint. This provides a valuable measurement criteria. If the results are not performing as was anticipated in the program design, then there may be a design flaw or even a component missing that is impacting performance over one or more areas. Under the circumstances feedback in this area is essential to the future success of the program. Change becomes more complex and costly over time. An error detected within a project in the first block is far easier and cheaper to remedy than one detected in a project in the fourth block. This would be particularly annoying if it was proved that this could have been easily detected and remedied at an early stage in the life cycle of the program.

5.4.4 Documenting Findings in a Final Benefits Report

There must be a final report to document the findings of the benefits produced by the program implementation. There are a number of important factors that need to be taken into consideration:

- Keep the report factual, stay out of boardroom politics, leave sensitivities to the program sponsor who will fine-tune where appropriate
- Try to quantify in terms of cost wherever possible, for example, expenses were seen to be reduced by xxxxx, revenues were seen to increase by xxxxx, operational efficiency showed a measured increase, and improvement by xxxxxxx
- Show both tangible and intangible benefits
- Measure the success criteria of the program blueprint
- Show value added opportunities provided by the program implementation
- Support findings with clear examples
- Show remaining business benefits measurable over time.

5.4.5 Benefits Realization Summary

- Have you completed an end of block assessment?
- Has the approach to the next block been defined?
- Have the planned processes of the blueprint been implemented properly?
- Have performance targets in the business operation areas been monitored?
- Has fine-tuning of the operational area activities been conducted?
- Has corrective action been taken on adverse conditions?
- Has a program level benefits review been conducted?
- Has important information been communicated to all interested parties?
- Have all training requirements been defined?
- Has all documentation been updated for changes?
- Has the program or block been properly closed off?
- Has a support mechanism been put in place?

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Readers Comments

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Overall, how satisfied are you with the information in this book?

Legend:
1   Very satisfied
2   Satisfied
3   Neutral
4   Dissatisfied
5   Very dissatisfied

	1	2	3	4	5
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Allturn Group International B.V.
Groenendal 7c
5405 AS Uden (NB) The Netherlands
Email: Info@AllturnGroup.com

Phone: 0031 (0) 6 20 35 67 51

Name . . . . _____
Company or Organization _____
Address .   . . . _____
_____
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