

Article

Organizational Requirements for a Successful Program Management Effort

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Organizational structure has undergone dramatic change in just the last three years. Much of this change has been driven by the fall out of knee jerk re-engineering initiatives, poorly structured change management plans, and the onset of new concepts such as Project Management. Traditionally companies undertook re-engineering as a macro event that initiated the breakdown of old methods. Unfortunately, the rebuilding aspect was somewhat misdirected.

Hierarchy, Matrix and now Composite Matrix structures, what really works? The answer is different for each company and in some cases, each industry. However, the past several years have begun to show a norm developing. Surprisingly the norm represents each of the aforementioned models in a hybrid fashion. But, before we talk about the norm let's talk about the models individually.

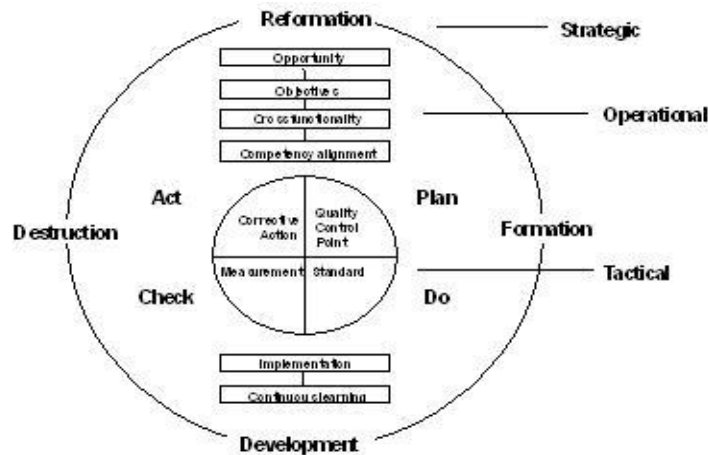
Hierarchy is a dictatorial method of management by fear. Or is it? Actually we have found some form of hierarchy is necessary to maintain focus and provide direction for the work force. The challenge to management lies between these seemingly conflicting statements. The relevant difference is not the model but the behavior that drives it, nor is it the processes but the people who drive them. Experience has proven that most people want some form of hierarchy to exist within, and in fact will prosper more readily knowing the guidelines that have been set forth. Companies that are successful with this approach have very forward thinking managers and leaders. They focus on creativity and collaborative problem solving. This may sound textbook but you cannot imagine how many organizations can only talk the talk. Words without consistent behavior will slowly and methodically tear apart the trust in a company and begin a chain of events that justifies the naysayers' position. Total accountability for all management personnel in this type of endeavor is absolutely critical. Deeply imbedded within this model lies your performance management program, review cycle and expectations. These items, combined with structure, create, form and provide a baseline for consistent performance measurement. Your business process must coincide with the ancillary components and appropriate behavior has to lead the drive.

Matrix is a cross functional structure that allows for enterprise-wide communication and collaboration. Sounds great! Not so fast. Time has shown that once again the silver bullet allure has struck back to wound the shooter. Although the Matrix structure has the components in place to accomplish our collaborative goals, it is severely lacking the behavioral drivers. Organizational behavior cannot be permanently affected by function alone. More organizations have failed trying this than have succeeded. A matrix structure with the same intentions as stated above can be a strong model. The management challenge once again is one of consistent and accountable behavior.

Composite Matrix is a merger between Hierarchal and Matrix structures with the intention of promoting collaborative behavior and accountability. Now we are getting somewhere. But wait; don't get too excited until you have concluded that the job of a manager in this setting just got a lot harder. In fact, we have found this is the point where we separate managers from leaders. A company that adopts this model must be prepared for turbulence, as half the battle will be fought by gaining the respect of the work force. Does this assume or imply that your work force has a low opinion of you or lacks trust? No, but there is usually some of that built in to the perception they apply to reality. Form must follow function here and in that world your managers have to lead by example day in and day out. They truly have to be entrepreneurial and creative, hence my statement about separating managers from leaders. In fact, we find that many management teams are constructed and/or destructed at this point of organizational change. The same holds true for process that will not keep up. Now is the time to fix them both.

So where are we? In a very uncomfortable spot, standing in front of the mirror asking ourselves - are we up to it?

The model below speaks to the behaviors mentioned here. Obviously it is not one size fits all. Keep in mind the model illustrates three dimensions of change and promotes the continuous learning concept.



Knowing what we do now, it is obvious that the Composite Matrix structure is most accommodating to the concepts of project-based work. In fact, some practitioners have begun to refer to this organizational model as *Projectized*.

The following model illustrates the hierarchy associated with this structure as well as the associated protocol between the levels. For obvious reasons be aware that significant behavioral elements relative to management style and corporate culture need to be considered prior to implementation.

Organizational Goals:

Driven by mission

Strategic Thrusts:

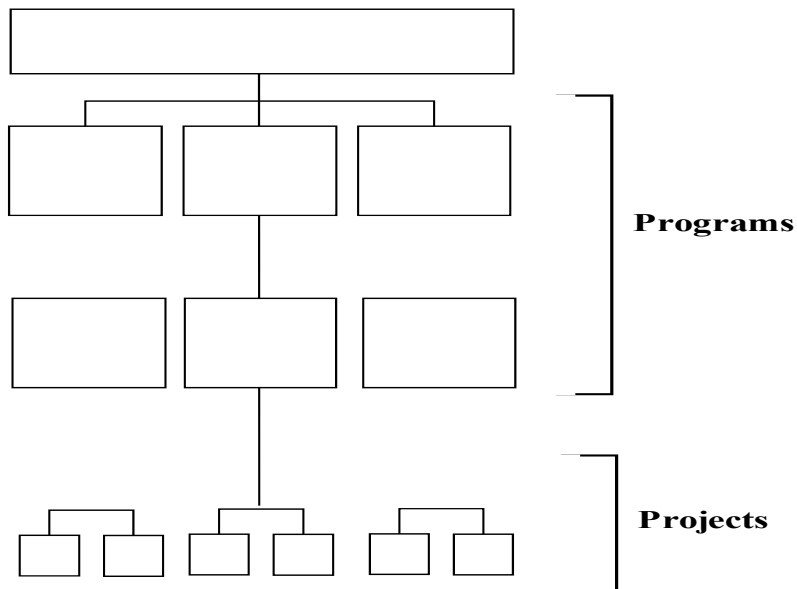
Strategic thrusts are comprised of items that are global to the organization, and when complete will equate to a breakthrough.

Operational Initiatives:

Contain the items that are necessary to accomplish one or more strategic thrusts. When complete they can be answered by a yes or no, and represent a contribution to an overall breakthrough.

Tactical Implementation:

Consists of the frontline work and projects needed to accomplish each individual operational initiative. This is the micro level of work best accomplished via a solid project management foundation.



Implementation:

Assuming we can accomplish consensus on a standardized behavioral model that supports the cause of Program Management, our next steps should establish a testing ground for implementation. Your test should be with a relatively straightforward project or group of projects with the intention of creating a prototype environment. Keep in mind that as we move into this model the greater organization will be watching closely. You can do as much damage as good, in fact more damage, if mismanaged. It is imperative that everyone associated with the effort is aware of the whats, hows, and whys. Collaboration starts here.

Program Management is commonplace in the world of projectized structures. In most companies this event is happening alongside a strong Project Management initiative. We should look at this opportunity to build these two areas in parallel, as well as build out the following Human Resource contributors:

- Performance Management
- Competency Alignment
- Skills Training
- Goal Setting

Career Pathing

You may ask, why such a macro list of Human Resource items for a project initiative? Truth be told, 80% of all failed project work can be tracked back to dysfunction around behavioral and communication issues. This strengthens the case for intent focus relative to the stability of the organization's culture and value system. Avoiding or minimizing the macro elements associated with the human factor will severely impede your potential rewards. At this point in the build out of the concept, consideration should be guided toward establishing readiness. Focusing your assessment around Organizational, Technology and Competency-based concerns will provide an adequate cross section for review. Furthermore, this form of assessment will allow you to define critical flaws prior to implementation. Unfortunately, many organizations identify the flaws and do nothing to respond. In turn, negative results prevail.

There are several steps we need to take in order to move forward:

- All management associated with the event has to understand and be bought into the direction. It is recommended that a steering committee be assigned to help the initiative gain a more global context.
- The CEO and/or executive team have to reach an understanding of the goals and see them as one. Remember, we are initiating organizational change through this implementation as a catalyst.
- Very clear expectations have to be set for the subject and his/her staff that have been designated to drive the Implementation. These expectations should also be publicly declared, as they will need a wide range of ancillary support from colleagues.
- The entire organization needs to be made aware of how the position of Program Manager will interact with them as well as their work.
- Organizational needs have to be addressed prior to implementation to clear the road for execution of deliverables.

Once we have cleaned up the approach we will need to establish a protocol for reporting that considers the following:

The Program Manager will answer to a team. Obviously the team has to establish a collective vision and be on exactly the same page. The vision needs to be representative of the strategy including the insight of senior management. There is no sense in engaging the Program Manager until all of the guiding parties speak with one voice. The guiding body should invite the Program Manager to challenge their wisdom and approach on a regular basis. This auger of intellect will encourage the continuous learning cycle and add yet another dimension of value to the deliverables. You may want to establish a team liaison that will be the one point of contact for the Program Manager to escalate urgent issues for decision. The guiding team should also establish very clear and measurable standards for the Program Manager to work against. A standard communication protocol similar to the one shown on the next page should be utilized

In addition, our experience has shown that results will improve when the Program Manager is operating with a set of standards guided through a project office. I do not want to lose focus here, but a further note is needed on that topic. The most successful project offices have proven to be virtual in nature. By virtual, I mean they operate consistently and serve as an architectural depository of data. The data consists of human resource, technical and budgetary items. Your project office should be driven by a set of enterprise-wide standards that speak with a cross functional voice