
Program Management Series¹

The Program Management Continuum (Article 2 of 4)

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Organizational transition is driven by the changing needs of a business, with business growth, business decline, and changes in regulatory, legal, and governance constraints creating the greatest pressure for organizational transition. To succeed in an organizational transition, an awareness, willingness, and commitment to change an organization's culture and establish a new mindset regarding roles, responsibilities and functions must exist within the organization. We have witnessed that for companies which utilize program management as a core discipline and function, this is especially true.

CASE IN POINT: Consider the following words from Richard Vander Meer, Vice-President of Global Program Management for Frog Design:

“When we created the program management role, we hired people to be note-takers and meeting schedulers. But, as the needs of the company changed, we needed to create a more robust function. Today, our program managers are the main interface between the client and the program team and they have profit/loss responsibility for the client-engaged program.”

Mr. Vander Meer's comments succinctly describe how changing needs of the business drove the organizational transition of the program management function within Frog. In this case, the program manager's role changed from note-taker and meeting scheduler to business manager and primary point of customer contact. Obviously, this was a focused transition that was executed over a number of years.

In the first article in this series titled “The Ah-Ha Moment”, we presented another example of a company embarking on a program management transition. Within that company (a major U.S. Government Contractor), a change in business needs (the ability to deliver more complex solutions) was also driving a change of their program management function. As the example points out, when the need for change occurs, a gap between current state of operation and future state of operation driven by the new business needs always exists. In this case, Figure 1 demonstrates the gap in program management performance that existed for Dave Mitchell, Division Vice-President for the Government Contractor, and his entire organization. Closing the

¹ The PMWJ series of articles on program management is authored by Russ Martinelli, Jim Waddell, and Tim Rahschulte, principle advisors at the Program Management Academy in Oregon, USA. More about the authors and the Program Management Academy can be found at <http://www.programmanagement-academy.com/>.

gap between current performance and expected future performance was all about transitioning to a truly program-oriented enterprise.

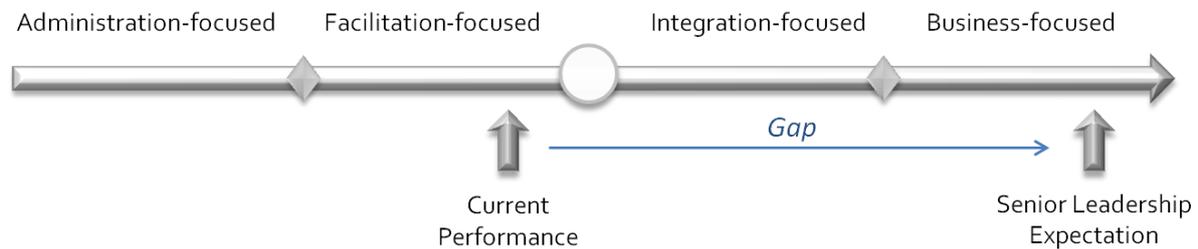


Figure 1: The gap between current and future performance

Every organization striving to introduce program management into their business model, or looking to mature their current program management function, will have its own unique *gap profile* that will represent the extent of organizational transformation that must take place to re-align current and expected performance. The program management continuum can be used as a model for characterizing and guiding change to a firm's program management capabilities.

Using the Program Management Continuum

We introduced the program management continuum in the first article to underscore the fact that it is important for senior leaders to understand where their firm resides on the continuum, and where they want to reside in the future as they embark on a program management transition. Additionally, the continuum can be used to assist the senior leaders, functional and line managers, program and project managers within an organization in recognizing and understanding where they are on the continuum in order to align expectations and properly set roles and responsibilities, as well as set empowerment and decision making boundaries for the various players and positions.

As we describe in our book titled *“Program Management for Improved Business Results”*, program management adds the greatest value to an enterprise when it is treated as an extension of the business function. However, not all organizations utilize their program management discipline in this manner. There are many organizations that are quite successful and operate effectively as project-oriented enterprises and they should continue to do so and look for aspects of program management that are beneficial to the way they operate. However, as business grows and complexity rises as is the case in most businesses today, the need for a program-oriented capability tends to increase.

For those organizations that plan to introduce program management into their organization or desire to increase their existing program management maturity, the program management continuum is a helpful model to create organizational alignment and guide the transition. Let's take a look at the program management continuum and the stages of the continuum in order to see its use and variation of the program management roles and responsibilities in each of its four stages.

Figure 2 illustrates program management as a flow of knowledge and experience characterized by four distinct stages. In general, organizations which are primarily project-oriented utilize program management practices as either an administration or facilitation function. As one moves to the right of the center point of the continuum, program-oriented organizations are found which realize the potential of program management to serve an integrator of the outcomes from the interdependent projects with a program.

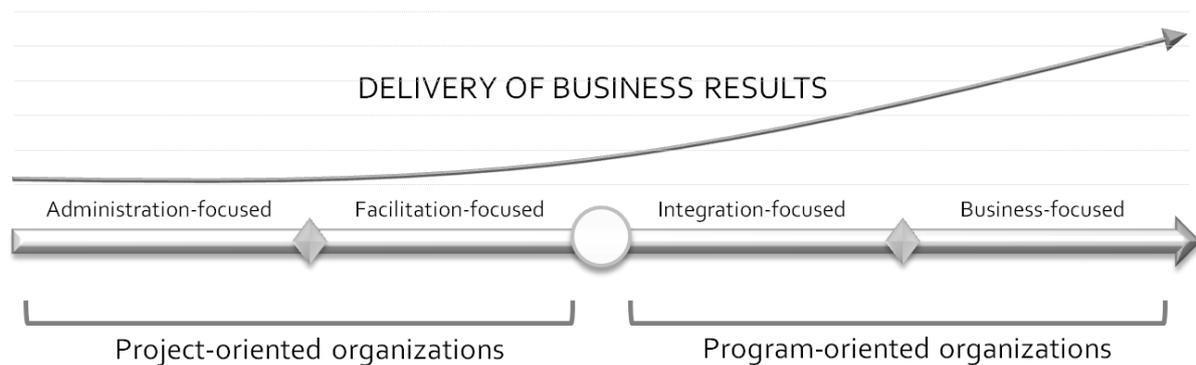


FIGURE 2: The program management continuum

Details of the stages of the program management continuum reveal the different views and use of program management and therefore the variation of the roles and responsibilities of program managers in each stage.

- **Administrative-Focused** – An administrative-focused organization demonstrates a strong focus on independent projects and very strong functional or line management control of the projects. The program management function is quite limited in these organizations and is utilized primarily as an administrative, data gathering or activity monitoring function.
- **Facilitation-Focused** – A facilitation-focused organization is also project-oriented, but the projects are normally grouped into programs, usually organically rather than strategically. Program management serves as a coordination function that facilitates cross-project communication and low-levels of collaboration.
- **Integration-Focused** – An integration-focused organization views projects as a part of a program that is driven by the business strategy of the firm. On this point in the continuum, control of the projects shifts from the functional or line managers to the program manager. The primary focus of program management is the integration and synchronization of work flow outcomes and deliverables of multiple projects to create an integrated solution.
- **Business-Focused** – A business-focused organization is fully devoted and disciplined on its use of program management practices. Programs are tightly linked to the organizations' business strategy and serve as the execution mechanism to realize the business goals. In the business-focused culture, organizational hierarchical command and control is

replaced by empowerment and accountability on the part of the program manager.

Increased program maturity is gained by moving from left to right on the continuum. It is important to understand that the program manager is not relieved of the program responsibilities of earlier stages of the continuum. Rather, the responsibilities are cumulative. Even if one reaches the final stage of maturity and is operating as a business-focused program manager, they are still a number of administrative, facilitative and integration duties to perform.

At the center of the continuum lies an important point we refer to as the program management *point of transition*. The point of transition is a philosophical decision point where the senior leaders of an organization need to make a purposeful and concerted choice to move their organization from being primarily project-oriented to being program-oriented. The transition point represents the formal acknowledgement by senior management regarding the importance of the program management discipline as a strategic benefit to the organization and the need to formally and actively empower the program manager to fulfill this role. Along with this decision by senior management is the recognition that selected roles and responsibilities across their organization may require some modification. Some of the modifications are subtle nuances, but most are significant changes requiring organizational and cultural transformation. Such was the case for Dave Mitchell.

Crossing the Point of Transition

“The program management continuum was helpful in establishing a baseline for our program management function,” observed Mitchell. “It also helped me understand that we had a major transition point directly in front of us.”

Mitchell made a very good and crucial decision that would prove to be a significant factor in the success of his organization’s program management transition. He hired an experienced and tenacious senior program manager, Nico Coachman, into the role of Program Office Director. Over a short period of time, Mitchell turned over the responsibility for completion of the program management transition to Coachman.

Using the program management continuum as his maturity and transition model, Coachman realized that his program managers were being tasked with many administrative and facilitation duties in support of the engineering organization. As a result, Coachman initiated a number of transition actions. He went to work re-defining the role of the program manager as the cross-functional team leader, the primary decision maker, the single voice for the program to senior management and the customer, and the business manager for their programs. He then hired a small team of program support personnel to take on much of the administrative duties. Finally, Coachman personally took on the middle management political battles that ensued as a result of the roles and responsibility changes. This was the defining action in leading the organization from a project-oriented model with program management serving in a support role to a program-oriented organization with program management as a leadership function.

To secure the transition, Coachman realized that the core competencies of the program managers within the organization had to be refocused. He began by establishing a rigorous training program that focused on three primary skill development areas: 1) program management fundamentals, 2) team leadership, and 3) business acumen. As with all organization transitions, not all personnel can or wish to take the journey. Coachman was aware of this and when personnel turnover occurred, he used it as an opportunity to bring some very experienced program managers into the organization.

As this example demonstrates, the companies that realize they need to transition from one level of program management maturity to another must not embark on the transition blindly, but realize that crossing the point of transition will create considerable change in culture and will require a clear vision and strong leadership. Being able to physically see the gap between reality and expectation through the use of the program management continuum allows a leadership team to further characterize the change needed and establish a desired end state or vision for how their program management discipline should be established.

In the next article in this series titled “Delivering Business Results”, we explain that as a business makes a conscious effort to become more program-oriented, the responsibility and accountability for delivery of the anticipated business results begins to fall more upon the program manager. We detail the key elements of benefits management and why benefits management at the program level is about management of the business goals and achievement of the business results driving the need for a program.

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