### Programs Are Benefits-driven and Agility-based

### Interview with Michel Thiry, PhD<sup>1</sup>,<sup>2</sup>

Author, Expert, Professor, Speaker Valense Ltd, UK



Interviewed by Yu Yanjuan Journalist, Project Management Review: PMR (China)

#### Introduction to the interviewee

**Michel Thiry**, PhD, Fellow APM, PMI Fellow, Member of PMI<sup>®</sup> since 1993, PMP<sup>®</sup> since 1994, MSP Advanced Practitioner (2007), is an author, keynote speaker, professor, consultant and managing partner of Valense Ltd.

Michel Thiry has an extensive worldwide experience and has worked in many cultural environments. He is recognized as a worldwide authority in strategic applications of project, program and value at organizational level and has supported the development and implementation of a number of strategic programs for major corporations in various fields, including construction, financial, pharmaceutical, IT and IS, telecom, water treatment, transportation (air and rail), local government and others using agile and change concepts.

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He is a regular keynote speaker for major international events, both at the Academic and Practice levels since 1996, and Seminar Leader for PMI<sup>®</sup> SeminarsWorld since 2001.

His 2010 book "Program Management" has been presented with an Award of Merit by the Canadian Project Management Association and is on the PMI's recommended list of readings for the PgMP® Exam. The 2nd edition has been published by Routledge in 2017. In 2013, the PMI® has published a revised and updated version of his book "A Framework for Value Management Practice". He has also written a number of book chapters on Value, Program and Portfolio Management in prominent PM books like the Gower "Handbook of project management" 3rd and 4th editions and the "Wiley Guide to Project, Program and Portfolio Management", published by Wiley (2007). He was also a contributing editor for PM Network from 2003 to 2008, a "Significant Contributor" to the PMI® Standard for Program Management 3rd Edition (2013) and was on the core team of the new PMI® Practice Guide to Managing Change in Organizations (2013).

Michel obtained an MSc in Organizational Behaviour from the School of Management and Organizational Behaviour at the University of London and a PhD on the Contextualisation of Project Organizations at Middlesex University in the UK. In 2006 he was elected PMI Fellow for his continued contribution to project management and in 2007 he was nominated Fellow of the Association for Project Management. In 2008, he was awarded a Life Achievement Award by the Canadian Society of Value Analysis. In 2014, he was awarded the PMI Eric Jenett Project Management Excellence Award for outstanding contributions to the practice of the profession, and leadership in advancing PM concepts, techniques, practices, or theories.

Expertise: Value Management, Project and Program Management, Governance, Portfolio Management, PMO, Organizational Strategy and Change.

#### Interview

#### Part 1: Programs are inherently agile

#### Q1. In VUCA era, how should the success of a program be measured?

**Michel Thiry (Thiry):** Programs are inherently agile in the sense that they deliver benefits in cycles and that there should be a measurement for benefits and value appraisal process at the end of each cycle. This allows for realignment or termination if necessary. The success of a program is measured through its ability to deliver business strategies, but this can only be achieved if the strategy is well stated through clear strategic objectives, which can be broken down into measurable critical success factors and key performance indicators.

#### Q2. What are your tips on instilling agility to program management?

**Thiry:** Agility is the foundation of program management, if it is not already there, you are not managing a program, but a big project. We must stop thinking of programs as big projects; programs are a means of executing strategies and, like strategies, in today's VUCA world, they have to be realigned regularly.

### Q3. There are various kinds of trainings for Program Management (PgM) certificates. In your opinion, what should we pay attention to in PgM training?

**Thiry:** Many program management courses and books still rely too much on a project approach and should adopt a more agile perspective and include change management and decision management in their topics.

For many years, programs were thought to be bigger projects; today there is a consensus that programs have an added degree of complexity and cannot be predicted accurately from the start. The planning process of a project is essentially an uncertainty-reduction exercise aiming to reduce the ratio between facts and assumptions. In the planning process, data is gathered, and reserves are built to account for risks. Once the project plan is complete, it becomes the baseline of the execution process.

Programs require dealing with uncertainty but also with ambiguity; ambiguity-reduction is very different from uncertainty-reduction in the sense that added data does not help reduce ambiguity but may even increase it. Ambiguity is reduced through decision-making and decision management. Whereas a large number of alternatives increase ambiguity, a sound decision process will help reduce it. This requires sensible stakeholder management and governance as well as an iterative decision management process.

#### Part 2: Programs Are Benefits-driven

# Q4. Based on your observation, what mistakes do program managers tend to make in applying program management into practice?

**Thiry:** I would say that the biggest mistakes do not come from the program managers, but from the program sponsors who assume and require a set baseline from the start of the program offering no leeway for adjustments along the road. The consequence of this attitude is that costs and schedule typically end up in default and the program manager is blamed. Programs are benefits-driven, not time or cost-driven, there should be a recognition by executives and senior managers that they must get more actively involved in the regular decision-making and cannot expect to baseline more than the next cycle. Programs need to offer leeway to adjust to unforeseen circumstances or changes in order to deliver a strategy. If they are too constrained, program managers can only deliver set results, not benefits.

The second big mistake is not continuing the program until capabilities delivered by component projects are transferred and integrated into business as usual. Many programs stop when the last component project is completed and there is no scope for transfer and integration activities.

#### Part 3: Program Managers Need to Be Adaptive and Innovative

#### Q5: What do you believe are the top qualities of a successful program manager?

**Thiry:** A competent program manager should have a capability to deal with both uncertainty and ambiguity, as well as possess a business and strategic perspective of their organisation. They will act as a project sponsor and therefore must be able to make decisions under uncertainty, but they will also have to report to an executive level group of stakeholders and therefore be able to make informed recommendations when required.

I could go on with a long list of requirements for a program manager's competencies, which has taken a whole chapter in my book. But I just want to add that the program manager will work with the senior level of the organisation and therefore needs to understand the language of business; the mistake I have often seen is that program managers who come from projects have difficulty rising to that level and continue managing their program as a project, which is sometimes exacerbated by their sponsors who force them into a project approach.

#### Q6. What are the steps for the path from a project manager to a program manager?

**Thiry:** There is no direct path from project manager to program manager. I have known many program managers that did not have a project manager's background. I believe project and program management require a different type of behavior and approach and one does not automatically lead to the other. Project managers should be very well-organized and though their focus is on performance, they must be good leaders and communicate well in a formal sense. Program managers, on the other hand, while still needing a sense of organization and thoroughness, must be able to make decisions without all the data available and therefore, need to be adaptive and innovative. Program managers must perform, but mostly, they should adopt a learning approach. They are more facilitators than leaders and their communication skills are more akin to marketing than formal communication.

### Q7. From the perspective as a male, what are the strengths and weaknesses of women program managers?

**Thiry:** I don't believe there is a difference between male and female brains; most of the cognitive differences between sexes are cultural. In my program management classes and in the organisations I work with, I encounter both male and female program managers and they both have the ability to perform at the same level. To me the difference does not lie in the fact that you are male or female, but more in whether you have the right mindset and whether you are given equal opportunity.

#### Part 4: Frontier and Future

### Q8. Globally what are the latest developments and the research frontier in program management?

**Thiry:** I would say that the next frontier is the management of highly volatile, uncertain and ambiguous situations, like disaster recovery and socio-economic situations. Just to give a few examples: earthquakes, floods, refugee crises, wars, Brexit, and such. Currently, all these situations are managed in a knee-jerk reaction approach. Program management, because of its focus on benefits and cyclic approach, can probably offer workable solutions to manage those crises, but there is still a lot of work to do to get there.

### Q9. What challenges does program management face and what's your hope for program management in future?

**Thiry:** The main challenge is consistency. There are three standards for program management: the PMI's Standard for Program Management, Axelos' Managing Successful Programmes and the Project Management Association of Japan's P2M. The three standards are relatively consistent but there are also main differences in both language and concept. Each association is veering for dominance in the area and this is done to the detriment of practice.

I hope that the future will bring a uniformity among the program management standards and practice. I also hope that the practice of program management will include a more focused position on the management of value beyond the delivery of capabilities and, finally, the universal recognition of its cyclic agile nature.

#### Part 5: Value Management Is Essential

Q10. You've said value management is a group decision-making process to achieve stakeholders' needs and expectations in the most resources-effective ways; would you please explain that? What's the importance of value management for program management?

**Thiry:** When I initially became interested in program management, before it was named that, it was through Value Management. I was aiming to combine value management and project management to deliver benefits to organisations. In the early to mid-nineties, projects were delivering results and value management was looking at how to do it better and more effectively. The combination of the learning approach of value management with the performing approach of project management led me to the concept of program management. In the late nineties, when the first version of *Managing Successful Programmes* came out in the UK, I got more involved in the concepts of program management and, from 1999 to 2005, contributed to the *APM's Body of Knowledge* and the *Gower Handbook of PM* 3<sup>rd</sup> and 4<sup>th</sup> Edition, as well as the *Wiley Guide to Managing Projects*. In all those books, I wrote the Program Management and Value Management chapters and linked both practices.

I talked earlier about the importance of change and decision management in programs and value management is the ideal methodology to achieve both. Value management is a stakeholder-based approach that includes sensemaking activities and a consistent and organised decision management process focused on innovation and creativity, which are both essential in a VUCA environment. Nowadays it can also be effectively integrated with Business Analysis which has become an important component of project and program management.

#### Part 6: Project Management Chose Me

# Q11. Why did you choose project management as your career focus? Have you enjoyed it? What are the enjoyable and challenging parts?

**Thiry:** I did not choose project management; project management chose me. I started my career as an architect and as such, was working in a project environment from the start. In the early nineties, I joined the PMI and became PMP, which enabled me to organise projects better in

my head and understand the underlying principles of what I had been doing in practice for many years. In parallel, I was also doing value management and getting certified in that area.

I have always enjoyed contributing to the progression of knowledge and practice and have become a reflective practitioner, trying always to reflect on the concepts that are the foundation of what we do in practice and how we can improve the latter.

What I find challenging is the number of organisations and practitioners who are still not taking the time to understand these basic principles and are happy to rush through the easiest solution because it is too difficult or to time-consuming to do it right.



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#### About the Interviewer



**Yu Yanjuan**, Bachelor's Degree, graduated from the English Department of Beijing International Studies University (BISU) in China. She is now an English-language journalist and editor working for Project Management Review (PMR) Magazine and website. In the past, she has worked as a journalist and editor for China Manned Space Agency website and *Student English Times*. She once worked part-time as English teacher in training centers. For work contact, she can be reached via email <u>yuyanjuan2005@163.com</u> or Linkedin <u>https://www.linkedin.com/in/yanjuan-yu-76b280151/</u>.