

Further notes on project/program management involvement in helping choose the “right” project(s)¹

By Alan Stretton

INTRODUCTION

In a recent issue of this journal (Stretton 2020d), I discussed organisational strategic implementation problems associated with the separation of organisational strategy formulation (“choosing”) from its implementation (“doing”). In particular, I focused on helping solve this by increasing project management (PM) involvement in choosing the “right” projects to best help achieve the organisation’s strategic objectives. Such involvement appears to be more widespread than the mainstream project management literature generally acknowledges. Stretton 2020d discussed three different ways in which project management has been, and is, already involved in helping choose the “right” project, as follows.

- Front End Loading (FEL) services provided by EPC-type organisations (Engineering, Procurement, Construction);
- Client Needs Determination (CND) services provided by Civil & Civic-type organisations;
- Early internal PM appointments as dedicated Strategic Initiative Managers, to cover all strategic initiative operations, including the initial choice of projects.

This article will be mainly concerned with adding a fourth way in which project/program management has been involved in choosing the “right” projects. It is based largely on the well known publication of the UK’s Office of Government Commerce, *Managing Successful Programmes* (OGC 2007), which postulates the early internal appointment of program managers (rather than project managers) to positions which appear to be very similar to those of Strategic Initiative Managers.

This article first establishes some background on the relationships between broad organisational strategic objectives, specific strategic initiatives to achieve those objectives, and projects/programs as components of these initiatives. This is followed by a brief review of the above three types of project/program involvement in helping choose the “right” projects, before going on to discuss the OGC-type extended program management type of involvement in making such choices.

The main purpose of this article (and its predecessor Stretton 2020d), is to discuss four domains in which project/program management has been heavily involved in helping choose the “right” projects, and to alert a wider audience to possibilities for expanding such involvement into other domains, to the benefit of both project management itself, and of organisations undertaking strategic initiatives.

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ORGANISATIONAL STRATEGIES, INITIATIVES, AND PROJECTS/PROGRAMS

Two usages of the descriptor “strategy”

The word “strategy” tends to be used in two different ways in the literature. One usage is concerned with an organisation’s longer-term strategic objectives, whilst the other refers to individual strategic initiatives undertaken to help achieve those longer-term objectives.

Organisational strategic objectives: Ingason & Jonasson 2019:2 describe these under the heading of *strategic planning as*

...a systematic attempt to determine the future of an organisation by: (1) identifying strengths, weaknesses, opportunities and risks in line with the values of an organisation; (2) creating a clear vision for future direction that entails clear goals and (3) outlining the path to be taken to achieve these goals.

Strategic initiatives: refer to action plans “to achieve these goals”, and are part of Ingason & Jonasson’s output of *strategic action plans*, which (p.3)

...expresses clear and measurable objectives to be reached within a specified time.

Cooke-Davies 2016:259 quotes from PMI 2013 in defining a strategic initiative as

...a project, portfolio of projects, other discrete programme or series of actions undertaken to implement or continue the execution of a strategy, or that is otherwise essential for the successful implementation or execution of a strategy.

Both of the above usages are represented in the following basic organisational strategic management models.

Organisational strategic objectives and specific strategic initiatives, as components of a sequence from strategic vision to projects/programs

In Stretton 2020e, I illustrated the relationships between organisational strategic vision, desired outcomes/benefits, broad organisational strategic objectives, specific strategic initiatives, and their component projects/programs, as shown on the right, following a sequence outlined by Abba et al 2018 in the following quotation:

Strategies in fact should flow from desired outcomes and benefits; programs and projects then flow from strategies to achieve those benefits.



This sequence can be seen as part of a broader strategic management framework, leading to realisation of the desired organisational strategic outcomes and benefits.

An organisational strategic management framework

The above sequence of relationships, and its continuation, are broadly reflected in the following basic organisational strategic management framework which I have been using for some time. I have appended a slightly more detailed depiction of the phases of the project component of strategic initiatives in Figure 1, because our concern in this article is primarily with the project/program components of its strategic initiatives.

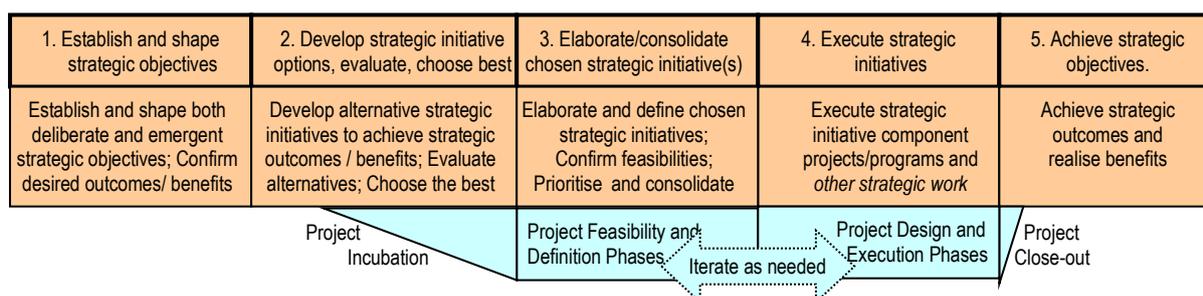


Figure 1: A basic organisational strategic management framework, & component project phases

(The other component of strategic initiatives is what I have described elsewhere as *other strategic work*, which covers non-project work that is “otherwise essential for the successful implementation or execution of a strategy”, as described in the above quotation from Cooke-Davies 2016. The *other strategic work* component of strategic initiatives can be very important, as was discussed in some detail in Stretton 2019a. However, in this article we will be mainly concerned with the project/program components, which typically comprise the larger part of most strategic initiatives.)

Typical non-involvement by project managers in choosing the “right” projects

In practice, project management is not all that often involved in the choice of the project components of the strategic initiatives which are developed, evaluated and chosen in Stage 2 – in spite of their very relevant specialist knowledge/ know-how. This work is most commonly done by strategic planners or their equivalent.

Since Stage 2 is where projects originate (as key components of strategic initiatives), I have followed Archibald et al 2012 in describing this as the “project incubation” phase in Figure 1. In this most common of situations, project/program management is not appointed before the end of Stage 2, and usually at some time during Stage 3. Therefore, in this situation, project/program management has had no opportunity to be involved in helping in the choice of projects in Stage 2,

However, there are, in practice, several ways in which project/program management can, and does, become involved. Although seldom mentioned in the mainstream project management literature, most of these have been at least partly documented, as we will now attempt to summarise. We will start by briefly reviewing the three approaches which were bullet-pointed in the Introduction, and which were discussed in some of my earlier articles, particularly in Stretton 2020a, b & d.

THREE TYPES OF PROJECT-RELATED INVOLVEMENT IN INITIAL CHOICE OF PROJECTS

This section summarises three existing types of project-management-related involvement in helping choose the “right” projects in an organisational strategic management environment, which were discussed in more detail in Stretton 2020d.

C&C-type external provider services: Client Needs Determination (CND)

I discussed extensions of Civil & Civic’s (C&C’s) specialist project management services into a more generalised role in Stretton 2020b, based largely on our substantial experience in this area in that organisation.

A major component of these extended services was known as Client Needs Determination (CND). This was actually a dual process of first, helping the client organisation clarify its business (or equivalent) needs, and then helping choose (and subsequently specify the requirements of) a project or projects to best help satisfy these needs. The position of CND in relation to the organisation strategic framework, and traditional project phases, is indicated in Figure 2.

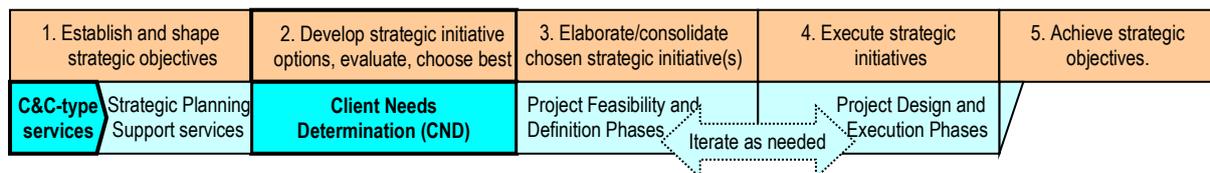


Figure 2: C&C-type involvement in initial choice of projects, via Client Needs Determination

This was a very direct involvement in helping the client choose the “right” projects, (as well as helping specify their requirements “right”). It was a rather natural extension from developing the project definition in Stage 3, simply because probing a little deeper into the background of a client’s stated requirements for a facility inevitably led to asking questions about the client organisation’s underlying business (or equivalent) needs.

The extent of the demand for helping clients determine their real needs was such that Civil & Civic developed substantial teams of specialists in various sectors to cater for these on-going demands, including in the education, industrial, health, office, retail and leisure sectors.

Of course, Civil & Civic did not develop competencies in CND overnight. The variety of skills needed to be effective in this domain are substantially greater than those needed for more conventional project management – as discussed at some length in Stretton 2013e. However, whilst our experience was that not all our project managers had the desire, and/or the attributes needed to acquire these skills, there were many who did, and became very successful in their wider roles – including, of course, helping clients choose the “right” project(s).

EPC-type external provider services: Front End Loading (FEL)

EPC-type services (Engineering, Procurement, Construction) have been prominent in the field of major projects and mega-projects for many decades. As discussed in some detail in Stretton 2020a, most of these types of services include a process which has been called Front End Loading (FEL), which has been defined by Morris 2013:60 as

...a tool for determining which is the ‘right’ project to meet the needs of business.

The key FEL phases for doing this are indicated in Figure 3, in which FEL Phase 1 is concerned with appraising alternative approaches and their projects, and FEL Phase 2 is concerned with selecting the best – i.e. with choosing the “right” project.

Establish SBOs	Pre-FEL [Prieto]	FEL Phase 1	FEL Phase 2	FEL Phase 3	FEL Phase 4	Phase 5
EPC-type services	Owner A Def.	Appraise	Select	Define	Execute	Operate
1. Establish and shape strategic objectives	2. Develop strategic initiative options, evaluate, choose best		3. Elaborate/consolidate strategic initiatives	4. Execute strategic initiatives	5. Achieve strategic objectives.	

Figure 3: EPC-type involvement in initial choice of projects, via Front End Loading (FEL)

This is a very direct form of involvement by EPC-type services in helping clients choose the right projects. FEL is widely used, particularly on major projects and mega-projects, as already indicated. I have had only slight involvement with FEL practitioners from EPC organisations, but there appears to be little doubt that the first two FEL phases have strong similarities with the C&C-type Client Needs Determination work discussed in the previous section.

Internal involvement via PM appointments as Strategic Initiation Managers

Stretton 2020d introduced early appointments of internal dedicated Strategic Initiation Managers, initially to help Owner Organisations (OOs) overcome what appear to be wide-spread difficulties in bridging the gap between choosing the “right” strategic initiatives, and doing them “right”. The range of responsibilities for these managers was illustrated as shown in Figure 4 – and, as just implied, they were appointed early enough to be actively involved in choosing the “right” project(s)

Internal OO management	Strategic initiative manager responsible for each strategic initiative from inception to completion				
1. Establish and shape strategic objectives	2. Develop strategic initiative options, evaluate, choose best	3. Elaborate/consolidate strategic initiatives	4. Execute strategic initiatives	5. Achieve strategic objectives.	

Figure 4: Illustrating the range of responsibilities of a dedicated Strategic Initiative Manager

In Lend Lease, and its subsidiary Civil & Civic, we invariably appointed project managers in this role, to take responsibility for both internal and external strategic initiatives (although we didn’t actually call them Strategic Initiative Managers). These project managers needed to acquire additional skills, many of them along the lines of the skills needed for Client Needs Determination, as discussed earlier.

EXTENDED OGC-TYPE PROGRAM MANAGEMENT, AND ITS INVOLVEMENT IN INITIAL CHOICE OF PROJECTS

As indicated in the Introduction, the OGC 2007 publication *Managing Successful Programmes*, represents program managers as being appointed very early to positions which appear to be much the same as those of Strategic Initiative Managers, as just discussed. We now look at the OGC approach in a little more detail.

OGC 2007 is specifically concerned with strategic initiatives which it describes as transformational organisation change programs. Figure 5 below aligns the components of OGC’s Figure 1.2 – “Programme Management Environment” with those of the basic organisational strategic management framework.



Figure 5: Relating OGC’s Figure 1.2 Programme Management Environment, to the basic organizational strategic management framework

It can be seen that OGC introduces programs very early – indeed, they appear to substitute quite directly for Strategic Initiative Managers, as described earlier. I have described this as “Extended OGC-type program management” in the above heading, because it does appear to extend the scope of program management well beyond a more common understanding of its scope – which is significantly narrower, as now briefly discussed.

OGC 2007:4 defines program management as follows.

MSP [Managing Successful Programmes] defines programme management as the action of carrying out the coordinated organisation, direction and implementation of a dossier of projects and transformation activities (i.e. the programme) to achieve outcomes and realise benefits of strategic importance to the business.

This definition makes a direct connection between programs and strategic outcomes and benefits. This is a connection which none of the other thirty-six definitions of programs and program management which I listed in Stretton 2017a makes in such a specific way. Most of these more conventional definitions are expressed in non-contextual mode, along the lines of Turner 1993:355, as follows:

A programme can be defined as a group of projects that are managed in a coordinated way to deliver benefits that would not be possible were the projects managed independently.

As indicated in Figure 5, OGC introduces programs as the next step after the organisation’s strategic objectives have been established, in the same way as strategic initiatives are introduced in the organisational strategic management framework. As OGC 2007:6 says,

Programmes are then defined, scoped and prioritised to implement and deliver the outcomes required. Programmes in turn initiate, monitor and align the projects and related activities that are needed to create new products or service capabilities or to effect changes in business operations.

It is therefore very clear that OGC-type program management has the strongest possible involvement in choosing the “right” projects. It appears to function in much the same way as depicted in Stage 2 of the organisational strategic management framework, but without specifically matching the latter’s focus on developing and evaluating alternatives before making the choices – which include the component projects.

In this regard, OGC-type program management contrasts with the more commonly depicted understanding of the scope of programs and their management. Essentially these are as depicted in the lower project section of Figure 1, where project – and thence program – managers are not appointed before the end of Stage 2 (usually during Stage 3) and therefore have had no opportunity to be involved in choosing the “right” projects, for which they never-the-less become responsible.

For reasons which are much the same as those applying to the three expanded project-related responsibilities discussed earlier, program managers in the OGC-type context will also need to acquire a broader range of skills than those required for more conventional program management.

SUMMARY AND DISCUSSION

Summary

This article, and its predecessor Stretton 2020d, have identified the following four domains in which project/program management has been involved in helping choose the “right” projects, some of them over several decades:

- C&C-type external provider services, with Client Needs Determination (CND);
- EPC-type external provider services, as part of Front End Loading (FEL);
- Early internal PM appointments as dedicated Strategic Initiative Managers;
- Early internal OGC-type program management appointments in a similar role.

Why has this investigation been undertaken?

The main reason for concern about choosing the “right” projects is that, if the “right” projects are not chosen in the first place, there is little chance of the relevant organisational strategic objectives being achieved, even if the projects are subsequently done “right”.

It is also a concern that the mainstream project management literature tends to concentrate on doing projects “right” and pays little attention to initial choice of the “right” projects. Yet many so-called “project” failures are, in fact, due to failure to choose the “right” project in the first place. This suggests that project management should have substantial concern about, and press for involvement in, the initial choice of projects. However, there is little, if any, attention given to such possibilities in the mainstream project management literature.

Yet, in spite of this lack of attention, these two articles have shown that, in practice, there continue to be several domains in which project/program management is strongly involved in choosing the “right” projects. Cumulatively, these domains represent a significant part of project management activities at large, and on this count alone appear to deserve much more attention than they are currently accorded in the mainstream literature, or in practice.

In this context, the immediate purpose of these two articles has been to alert a wider audience to possibilities for expanding such involvement into other domains, to the benefit of both project management itself, and of organisations undertaking strategic initiatives.

Broader considerations

Although we have focused on project/program involvement in choosing the “right” projects, the external services and the internal appointments associated with the four domains discussed in these articles cover a much broader range of support and responsibilities than just helping with the initial choice of projects.

For example, both the C&C-type and EPC-type external provider services are essentially broad strategic planning support services which often include support in helping shape an organisation’s strategic portfolio of objectives, and even helping establish the organisation’s strategic objectives in the first place.

These are very broad extensions of project-related services and suggest opportunities for a broader expansion of the scope of project/ program management at large. I propose to further discuss these types of broader considerations in the next issue of this journal.

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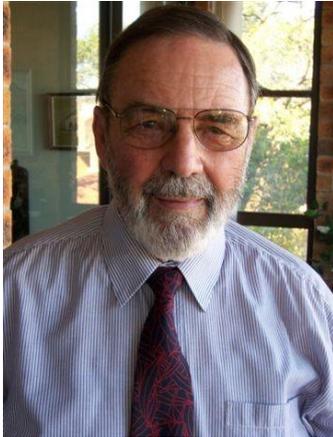
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