Ten Common Problems on Poor Performing Programs [1, 2]

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Program Management involves dealing with a scale and complexity that goes well beyond that experienced in many projects. These challenges are compounded by new linkages across multiple projects; indirect inter-dependencies as a result of "constraint coupling"; and new risks and opportunities which may lurk in the white spaces between projects. The greatest sources of poor performance in large programs, however, have more to do with the context and frameworks established than the new and often hidden risks.

This paper identifies ten common problems found on poor performing programs and provides the program manager with a convenient diagnostic tool to assess his program's susceptibility to degraded performance. Periodic review of these problems experienced on many programs facilitates early corrective action and improved program performance.

[1] Second Editions are previously published papers that have continued relevance in today's project management world, or which were originally published in conference proceedings or in a language other than English. Original publication acknowledged; authors retain copyright. This paper was originally published in *PM World Today* in August 2011. It is republished here with the author's permission.

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Ten Common Problems on Poor Performing Programs

Planning Basis Not Well Founded

Team Not Well Defined or Lacking Requisite Skills

Lack of a Culture of Responsibility, Authority & Accountability;
Lack of Organizational Change Management

Flawed Baseline

Weak Program Execution Plan

Weak Execution

Poor or No Communication Plan

Lack Of Strategic Audits

Team Not Reinforced

Weak Lessons Learned and Best Practices

1.0 Planning Basis Not Well Founded

Large, complex programs require a well thought out and developed foundation upon which to build the program structure consisting of a program execution strategy and plan, a supporting organizational framework, and an infrastructure of processes and procedures that tie the program together. But just like any structure, programs will only perform as good as the foundation upon which they are built.

In programs experiencing problems related to an inadequately developed planning basis there are several root causes that are routinely identified. These include:

- Program team begins work without detailed program and project execution plans.
- Strategic Business Objectives (SBO) not well defined or communicated.

- Project team does not spend sufficient effort to gather and understand all relevant information
- Flawed planning assumptions driven by bias that limits consideration of best ideas
- Limited buy-in from the team
- Lack of team alignment results in a culture lacking trust setting the stage for micro-management, slowing the program down

A structured process, beginning with identification and articulation of Strategic Business Objectives, strategy definition, careful project portfolio selection, structured alignment and complementary organizational change management can help organizations avoid many of these planning basis problems.

2.0 Team Not Well Defined or Lacking Requisite Skills

The best strategy, plans and tools are only as good as the individuals assigned the responsibility to utilize them. Skills must match requirements as well as likely challenges the program will face. Clear responsibilities must be assigned and an assessment conducted of existing team and individual skills gaps. These gaps must be addressed.

Programs experiencing team definition and skills problems typically experience one or more of the following root causes:

- Team skills not consistent with changed requirements the program requires.
- Lack of program management training.
- Team never possessed required management skills.
- Team members unaware of their roles and responsibilities.
- Team members function inconsistent with desired program outcomes.
- Team members frustrated by lack of role, responsibility and outcome definition.
- Roles and responsibilities not discussed early enough in the program
- Team member expertise does not match program requirements requiring them to function outside their comfort zone
- Role is out of one’s expertise
- Lack of education to expand team member skill sets.

RACI (Responsible, Accountable, Consulted, Informed) chart development can serve to provide role clarity as well as be extended to identify requisite skills. Training programs can be identified and tailored to meet specific program team needs in many instances.

3.0 Lack of a Culture of Responsibility, Authority & Accountability; Lack of Organizational Change Management

The "soft" issues really do matter and by any measure the "soft" issues are hard. In the previous section we looked at some of the people issues we need to address in large programs but even more is require. Team culture, a focus on change and a recognition that people change in different ways at different rates are all important to program success.

When programs suffer from a lack of a culture of responsibility, matched with requisite authority and accountability, we should not be surprised since an assessable set of root causes typically have shown themselves well in advance.

Additionally, inadequate attention to planning and managing the change process itself can be a major contributor to poor program performance.

Root causes that should be watched out for include:

- No formal way of evaluating the work
- Lack of feedback from other team members (360 Review)
- Weak performance review processes – poor performers continue to receive strong performance evaluations.
- Roles and responsibilities not clearly defined and well communicated
- RACI (Responsible, Accountable, Consulted, Informed) charts inadequate, non existent or not followed.
- Lack of cascading metrics (Key Performance Indicators (KPIs))
- Infrequent assessment of program quality, progress and achievement
- Project teams lacks a values statement; team culture not built and reinforced
- Underestimating the difficulty and impact of change
- Lack of recognition that change is a multi-step process
- Inadequate description of the new or desired team culture
- Change agents and early embracers of change not adequately thought through
- Evaluation of teamwork not conducted on a regular basis

4.0 Flawed Baseline

In some instances program failure or underperformance is assured from the outset. A principle cause of such "assured" failures is weak planning and weak associated baselines. In reality serious program execution planning has not happened.

Many factors can contribute to flawed program baselines including pressures to produce the "right" answer, when "right" is based on a strategy of hope and a dream. Strong baseline centric execution improves program performance but such execution can only be as good as the desired baselines.

In many instances of flawed baselines we find that articulation of the program's Strategic Business Objectives have not been clearly articulated or agreed to.

Some symptoms of flawed baselines include:

- Timeline Not Realistic
- Known unknowns not sufficiently identified and provided for
- Planned on best guess basis; not credible with execution team
- Flawed baseline planning process repeated across multiple projects in program
- Baseline not communicated, managed to or reported against.
- Scope not well defined
- Work Breakdown Structure lacked sufficient detail
- Assumptions not well thought out or limited in scope
- Assumptions not documented, communicated and tracked
- Risk Analysis Inadequate
- Risk drivers not identified
- Risk evolution over program not considered
- Risk realization not planned for; inadequate risk management plan

5.0 Weak Program Execution Plan

Well defined Strategic Business Objectives, a solid baseline and an aligned program team contribute to strong program performance. At times however problems still arise because of an associated program execution plan that was mismatched to the program's objectives, strategy and constraints. And while we may have clearly defined roles and responsibilities at an earlier stage they may not match with the requirements implicit in the program execution plan.

Factors contributing to a weak program execution plan can include:

- Execution strategy did not build on defined Strategic Business Objectives and program scope
- Execution plan did not align with selected strategy
- Execution plan was not resource loaded (time; $; constrained resources)
- Execution plan not aligned with risk management strategy
- Roles and responsibilities not clearly defined
- Execution sequence does not adequately recognize interdependencies and "constraint coupling"

6.0 Weak Execution

The best of plans, poorly executed, will not produce the outcomes we want. The list of factors contributing to weak program execution could take volumes to describe but from observation and experience the following warrant closer inspection and attention by the program manager throughout the program.

- Inadequately structured decision process
- The value of time in decision making not recognized
- Decision dates not established, recognized or respected
- Seeking perfection in the face of uncertainty
- Uninformed direction undermines management team effectiveness
- No sense of priorities – "kangaroo" management
- Lack of understanding of links and interdependencies
- Role of project constraints not understood
- Relationship power seeks to trump clear organizational roles and responsibilities
- Inadequate team alignment

- Inadequate team training
- Change not controlled resulting in scope growth, cost growth, schedule slippages and changed risk profile
- Work process durations, reviews, approvals not well defined or respected
- Work processes are not streamlined
- Too many people have approval authority

7.0 Poor or No Communication Plan

In real estate the mantra is location, location, location. In program management it is communication, communication, communication.

When we fail to heed this admonishment in the execution of large programs we experience difficulties in many aspects of the program. Everything becomes just a little bit tougher.

Communication is always a challenge and one of the greatest problems encountered is the perception that it exists. This is often not the case in programs experiencing performance difficulties. Some symptoms of a weak communication plan include:

- Importance of communication not recognized
- No understanding of when and how communications will be delivered.
- Frequency of communication does not support program needs
- Continuous communication between organizational levels does not occur
- Good program dashboard does not exist
- Program status, action items and their closeout are not tracked and reported
- Critical path activities and their dates have inadequate visibility by the program team
- Linkages, interdependencies and precedence are not discussed or adequately communicated
- Absence of strong change order process allows informal decisions to be made without adequate communication
- Approved changes not communicated to team in a timely and comprehensive manner
- Fear of retribution discourages issue identification

- Broad team awareness of information and issues does not exist

8.0 Lack Of Strategic Audits

The word “audit” often stirs emotions associated with fear and avoidance. Done correctly, audits can provide great value to program teams by bringing the fresh eyes that programs require. In large programs these audits must go well beyond the fiduciary, quality and safety audits common to large programs by looking at issues related to governance and strategy.

Programs with a weak audit framework are often characterized by:

- Program progress not tracked or monitored from outside execution team
- Audit process not used to drive program progress – people do what is measured
- Audit of quality process not used to drive quality improvement.
- Audits not conducted on a regular basis throughout entire program (project selection, initiation, execution, closeout)
- Audits do not assess program skills needs (management and other), resourcing plan and actual skills and levels (requirements/resource mismatch)

9.0 Team Not Reinforced

Team performance is a measure of program success. But do we truly have a team? Many of our activities related to alignment and organizational change management are focused on building such teams, but they must be sustained throughout the life of the program. The concept and reality of one team must be continuously reinforced.

When teams come off the track three common root causes typically show up:

- Silos allowed to exist and develop value destroying behaviors
- Common values not continuously communicated and demonstrated
- Information not shared

10.0 Weak Lessons Learned and Best Practices

We learn by doing and we learn by our mistakes. We also learn from others. Program teams must be learning organizations. This is one of the contributions that a strong team culture provides. Knowledge capture, sharing and management contribute to sustained superior performance by program teams. Where this lacking we may find:

- Close out of major phases does not occur letting lessons learned to be lost and best practices to not be communicated in timely manner
- Lessons learned are incorporated without review to ensure they represent best practice (no unintended consequences)
- Inadequate knowledge management processes

Conclusion

Understanding, avoiding and continuously looking for, and addressing, the common problems experienced in poor performing programs is essential to high performance programs. This assessment of program readiness, both to begin as well as continue on, can be aided by a structured assessment of the program to determine whether any of the potential problems exist or might emerge.

The checklist that follows can provide a convenient tool for such an assessment and can be incorporated as part of the ongoing strategic audit process.

Common Program Problem Checklist		
1.0 Planning Basis Not Well Founded		
1.1	Program team begins work without detailed program and project execution plans.	
1.2	Strategic Business Objectives (SBO) not well defined or communicated.	
1.3	Project team does not spend sufficient effort to gather and understand all relevant information	
1.4	Flawed planning assumptions driven by bias that limits consideration of best ideas	
1.5	Limited buy-in from the team	
1.6	Lack of team alignment results in a culture lacking trust setting the stage for micro-management, slowing the program down	
2.0	**Team Not Well Defined or Lacking Requisite Skills**	
2.1	Team skills not consistent with changed requirements the program requires.	
2.2	Lack of program management training.	
2.3	Team never possessed required management skills.	
2.4	Team members unaware of their roles and responsibilities.	
2.5	Team members function inconsistent with desired program outcomes.	
2.6	Team members frustrated by lack of role, responsibility and outcome definition.	
2.7	Roles and responsibilities not discussed early enough in the program	
2.8	Team member expertise does not match program requirements requiring them to function outside their comfort zone	

	2.9	Role is out of one's expertise	
	2.10	Lack of education to expand team member skill sets.	
3.0	**Lack of a Culture of Responsibility, Authority & Accountability; Lack of Organizational Change Management**		
	3.1	No formal way of evaluating the work	
	3.2	Lack of feedback from other team members (360 Review)	
	3.3	Weak performance review processes – poor performers continue to receive strong performance evaluations.	
	3.4	Roles and responsibilities not clearly defined and well communicated	
	3.5	RACI (Responsible, Accountable, Consulted, Informed) charts inadequate, non-existent or not followed.	
	3.6	Lack of cascading metrics (Key Performance Indicators (KPIs))	
	3.7	Infrequent assessment of program quality, progress and achievement	
	3.8	Project teams lacks a values statement; team culture not built and reinforced	
	3.9	Underestimating the difficulty and impact of change	
	3.10	Lack of recognition that change is a multi-step process	
	3.11	Inadequate description of the new or desired team culture	
	3.12	Change agents and early embracers of change not adequately thought through	
	3.13	Evaluation of teamwork not conducted on a regular basis	

4.0	**Flawed Baseline**		
	4.1	Timeline Not Realistic	
	4.2	Known unknowns not sufficiently identified and provided for	
	4.3	Planned on best guess basis; not credible with execution team	
	4.4	Flawed baseline planning process repeated across multiple projects in program	
	4.5	Baseline not communicated, managed to or reported against.	
	4.6	Scope not well defined	
	4.7	Work Breakdown Structure lacked sufficient detail	
	4.8	Assumptions not well thought out or limited in scope	
	4.9	Assumptions not documented, communicated and tracked	
	4.10	Risk Analysis Inadequate	
	4.11	Risk drivers not identified	
	4.12	Risk evolution over program not considered	
	4.13	Risk realization not planned for; inadequate risk management plan	
5.0	**Weak Program Execution Plan**		
	5.1	Execution strategy did not build on defined Strategic Business Objectives and program scope	
	5.2	Execution plan did not align with selected strategy	

	5.3	Execution plan was not resource loaded (time; $; constrained resources)	
	5.4	Execution plan not aligned with risk management strategy	
	5.5	Roles and responsibilities not clearly defined	
	5.6	Execution sequence does not adequately recognize interdependencies and "constraint coupling"	
6.0	**Weak Execution**		
	6.1	Inadequately structured decision process	
	6.2	The value of time in decision making not recognized	
	6.3	Decision dates not established, recognized or respected	
	6.4	Seeking perfection in the face of uncertainty	
	6.5	Uninformed direction undermines management team effectiveness	
	6.6	No sense of priorities – "kangaroo" management	
	6.7	Lack of understanding of links and interdependencies	
	6.8	Role of project constraints not understood	
	6.9	Relationship power seeks to trump clear organizational roles and responsibilities	
	6.10	Inadequate team alignment	
	6.11	Inadequate team training	
	6.12	Change not controlled resulting in scope growth, cost growth, schedule slippages and changed risk profile	
	6.13	Work process durations, reviews, approvals not well defined or respected	
	6.14	Work processes are not streamlined	
	6.15	Too many people have approval authority	
7.0	**Poor or No Communication Plan**		
	7.1	Importance of communication not recognized	

	7.2	No understanding of when and how communications will be delivered.	
	7.3	Frequency of communication does not support program needs	
	7.4	Continuous communication between organizational levels does not occur	
	7.5	Good program dashboard does not exist	
	7.6	Program status, action items and their closeout are not tracked and reported	
	7.7	Critical path activities and their dates have inadequate visibility by the program team	
	7.8	Linkages, interdependencies and precedence are not discussed or adequately communicated	
	7.9	Absence of strong change order process allows informal decisions to be made without adequate communication	
	7.10	Approved changes not communicated to team in a timely and comprehensive manner	
	7.11	Fear of retribution discourages issue identification	
	7.12	Broad team awareness of information and issues does not exist	
8.0	**Lack Of Strategic Audits**		
	8.1	Program progress not tracked or monitored from outside execution team	
	8.2	Audit process not used to drive program progress – people do what is measured	
	8.3	Audit of quality process not used to drive quality improvement.	
	8.4	Audits not conducted on a regular basis throughout entire program (project selection, initiation, execution, closeout)	
	8.5	Audits do not assess program skills needs (management and other), resourcing plan and actual skills and levels (requirements/resource mismatch)	
9.0	**Team Not Reinforced**		
	9.1	Silos allowed to exist and develop value destroying behaviors	

	9.2	Common values not continuously communicated and demonstrated	
	9.3	Information not shared	
10.0	**Weak Lessons Learned and Best Practices**		
	10.1	Close out of major phases does not occur letting lessons learned to be lost and best practices to not be communicated in timely manner	
	10.2	Lessons learned are incorporated without review to ensure they represent best practice (no unintended consequences)	
	10.3	Inadequate knowledge management processes	

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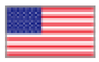

Bob Prieto is a senior executive effective in shaping and executing business strategy and a recognized leader within the infrastructure, engineering and construction industries. Currently Bob heads his own management consulting practice, Strategic Program Management LLC. He previously served as a senior vice president of Fluor, one of the largest engineering and construction companies in the world. He focuses on the development and delivery of large, complex projects worldwide and consults with owners across all market sectors in the development of programmatic delivery strategies. He is author of nine books including “Strategic Program Management”, “The Giga Factor: Program Management in the Engineering and Construction Industry”, “Application of Life Cycle Analysis in the Capital Assets Industry”, “Capital Efficiency: Pull All the Levers” and, most recently, “Theory of Management of Large Complex Projects” published by the Construction Management Association of America (CMAA) as well as over 800 other papers and presentations.

Bob is an Independent Member of the Shareholder Committee of Mott MacDonald and a member of the board of Dar al Riyadh. He is a member of the ASCE Industry Leaders Council, National Academy of Construction, a Fellow of the Construction Management Association of America and member of several university departmental and campus advisory boards. Bob served until 2006 as a U.S. presidential appointee to the Asia Pacific Economic Cooperation (APEC) Business Advisory Council (ABAC), working with U.S. and Asia-Pacific business leaders to shape the framework for trade and economic growth. He is a member of the Millenium Challenge Corporation advisory board where he had previously served. He had previously served as both as Chairman of the Engineering and Construction Governors of the World Economic Forum and co-chair of the infrastructure task force formed after September 11th by the New York City Chamber of Commerce. Previously, he served as Chairman at Parsons Brinckerhoff (PB) and a non-executive director of Cardno (ASX)

Bob serves as an honorary global advisor for the PM World Journal and Library and can be contacted at rpstrategic@comcast.net.