

# Program/project management, and responsibilities for achieving outcomes and/or realising benefits<sup>1</sup>

By Alan Stretton

## INTRODUCTION

This article is an extension to my article in the last issue of this journal (Stretton 2022c). That article discussed the key importance of user groups in converting project outputs to outcomes and benefits, and thence of including them in relevant program/project management (PPM) models. This article looks further at these user groups, with particular concern about who is held responsible for achieving post-output outcomes and benefits. This is examined mainly in the context of the three broad types of strategic initiatives discussed in Stretton 2022c. A particular concern of this article is identifying the part that PPM plays, or does not play, in relation to these responsibilities.

This article was also partly prompted by a recent letter to the editor by Smith 2022, about the 7<sup>th</sup> Edition of *The Standard for Project Management and A Guide to the Project Management Body of Knowledge* (PMI 2021), in which he says [his emphases],

....PMI's new holistic approach broadens the Project Management Team's scope of responsibilities to encompass *effective delivery of Outcomes*. .... **encumbering project managers and teams with additional responsibility for Outcome achievement is not only misdirected, but is completely unrealistic; as Outcome attainment is totally beyond their control.**

Smith's letter has raised a couple of particular points for me. The first is that, whilst I did not interpret PMI's new approach regarding PPM responsibility for outcomes as being quite as mandatory as Smith implies, I fully empathise with his general thrust. Perhaps we have different interpretations of "enable" in the following quote from PMI 2021: xi

....*The Standard for Project Management* and the *PMBOK Guide* emphasise that projects do not simply produce outputs, but more importantly, enable those outputs to drive outcomes that ultimately deliver value to the organization and its stakeholders.

In Stretton 2022c I pointed out there is no mention in this quotation of which users actually do the work to "enable those outputs to drive outcomes". It is certainly not unreasonable to interpret this quote as implying that PPM does this work. However, it does not say so explicitly, so that other (un-named) users have not been excluded. One aim of this article is to try and clarify who does this work, and who is responsible for achieving outcomes in a variety of contexts.

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The second point is that, contrary to Smith's contention, there are some situations where PPM does have responsibility for achieving outcomes. We will be identifying at least two types of contexts in which this happens as we progress this article.

As noted above, this article is an extension to my article in the last issue of this journal (Stretton 2022c). My aim is to make this current article (which is also a work in progress) reasonably self-contained. I will therefore need to repeat some of the materials from the earlier article, but will try to keep this to a reasonable minimum.

We will start by revisiting differences between two types of organisations that undertake projects – owner organisations (OOs) and supplier organisations (SOs) – which normally have different perceptions of the nature of their outcomes and benefits. We will also review some descriptors and synonyms of project-related outputs, outcomes, and benefits, to help ensure we are all “on the same page”.

We then turn to the penultimate Figure 3-15 in Stretton 2022c, which illustrates in summary form the roles of user groups in three broad chains of project-related strategic initiatives discussed in that article. These three chains will be the primary topics of this examination, which will be mostly concerned with who is held responsible for achieving post-output outcomes and benefits, and particularly the part that PPM plays, or does not play, in relation to these responsibilities.

Whilst these three chains by no means cover all types of situations where project outputs are converted to outcomes and benefits, hopefully they are sufficiently representative to provide a reasonably typical picture of the extent to which PPM does, and does not, have responsibilities for achievement of outcomes and benefits.

## **DISTINGUISHING OWNER ORGANISATIONS FROM SUPPLIER ORGANISATIONS**

In Stretton 2022c I pointed out that the exemplar initiatives used for each of three broad streams of project-related strategic initiatives can be associated with two different types of organisations that undertake projects, which I had previously described as follows.

- **Owner organisations (OOs) (aka Production-based organisations)** derive most (if not all) of their revenue and/or benefits from producing and selling products and services. They utilize projects to create new, or improve existing, products and services; enter new markets; or otherwise improve or change their organizations.
- **Supplier organisations (SOs) (aka Project-based organisations)** derive most (if not all) of their revenue and/or other benefits from creating and delivering projects/ programs to external customers.

The relevance of distinguishing between these two types of organisations that undertake projects is that their management normally have quite different perceptions of the nature of their outcomes and benefits which are most relevant to them. As we will see in looking in more detail at the three main chains to be discussed, whilst there is little difference in the case of the first one, the second chain has a strong OO perspective, whilst the third

introduces an SO perspective on outputs and benefits which is very different from those of an OO, and involves some substantial PPM responsibilities of quite a different type.

## PROGRAM/PROJECT-RELATED OUTPUTS, OUTCOMES AND BENEFITS

### Some descriptors and synonyms

As is often the case in the project management literature, different descriptors are often used to identify various entities, as now discussed in relation to the above.

**Outputs:** There are several synonyms in the project management literature.

- **Product** (OGC 2007, Driver & Seath 2015).  
*e.g. The tangible or intangible product resulting from planned activity. (OGC 2007:247)*
- **Capability** (OGC 2007),
- **Deliverables** (Driver & Seath 2015).
- **Assets** (Giammalvo 2021a) – “...the products (= ASSETS) these projects are producing ...”

**Outcome:** Three synonyms are identified from the project management literature.

- **Result** (OGC 2007, Driver & Seath 2015, PMI 2021:244)  
*e.g. The result of change, normally affecting real-world behaviour and/or circumstances. ... (OGC 2007:247)*
- **Uses** (Driver & Seath 2015).
- **Consequence** (PMI 2021:244)

**Benefit:** *The measurable improvement resulting from an outcome perceived as an advantage by one or more stakeholders. (OGC 2007:245)*

OGC 2007:63, Figure 7.3, distinguishes between intermediate benefits and end benefits. Its Table 7.1 (p.64) gives some indicator of the former when it says that

- *A benefit is the measurement of an outcome or a part of an outcome*

This table goes on to describe end benefits as follows.

- *An end benefit is a direct contribution to a strategic objective*

In order not to further complicate an already complicated subject, I propose to confine most of my later discussions about benefits to end benefits. Finally, Figure 1, which is adapted from OGC’s Table 7.1 gives some sense of progression from one to the next.

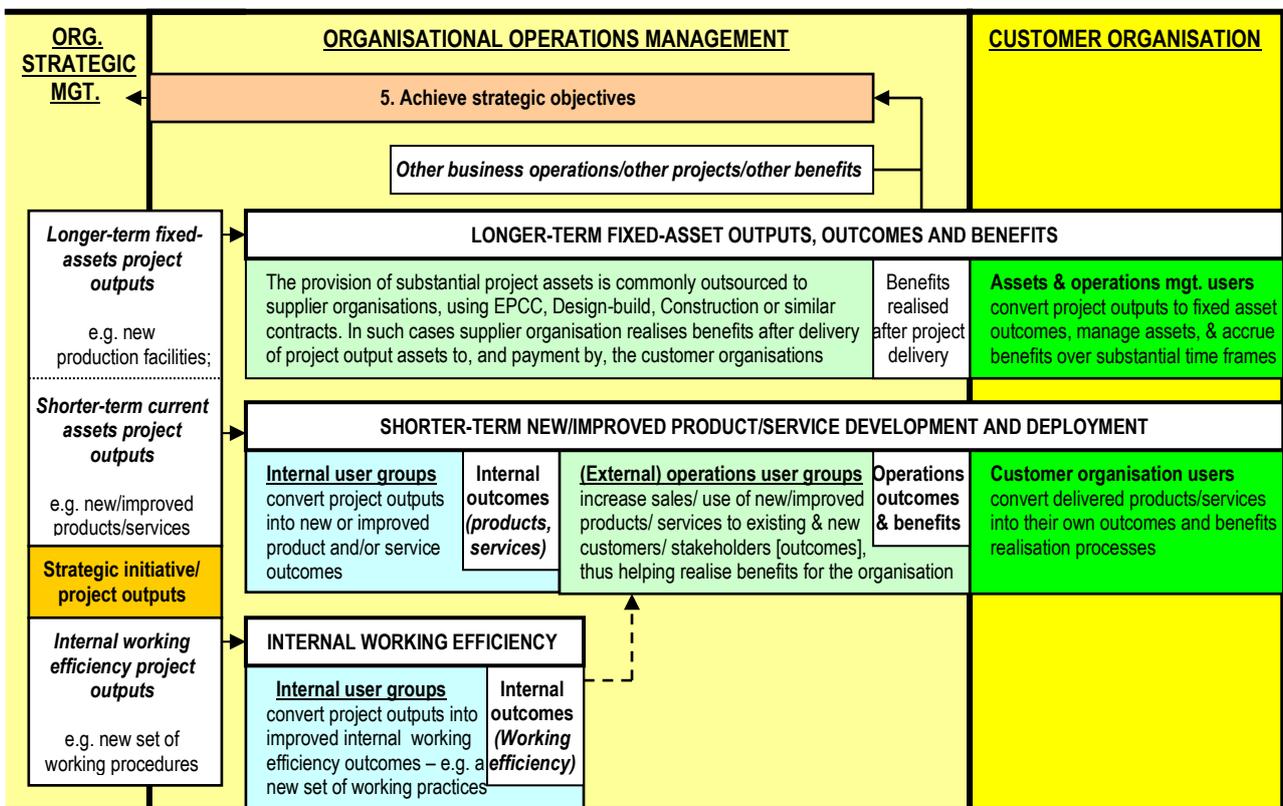
Project outputs/capability	Outcome	Benefits
Enables a new outcome in part of the operational organisation	Is the desired operational result [derived from the use of project outputs]	<ul style="list-style-type: none"> <li>• A benefit is the measurement of an outcome or a part of an outcome</li> <li>• An end benefit is a direct contribution to a strategic objective</li> </ul>

**Figure 1: Descriptors of project outputs, outcomes, benefits – Adapted from OGC 2007, Table 7.1**

### THREE TYPES OF PROJECT OUTPUTS TO OUTCOMES TO BENEFITS CHAINS

As already indicated, I propose to discuss the topic of responsibilities for achieving outcomes and realising benefits by expanding on three broad types of outputs to outcomes to benefits progression chains developed in Stretton 2022c, and summarised in its Figure 3-15.

Figure 2 below is an upgraded version of that figure, with headings added for the three types of chains, to facilitate following discussions about each of these, which will be undertaken in ascending order.

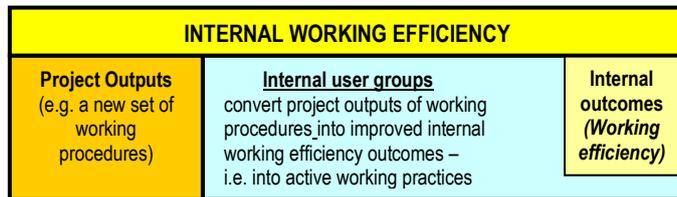


**Figure 2. User-focused summaries of three types of output/outcome/benefits chains**

For the purposes of this article, we will discuss the three types of chains in the following order.

- **Internal working efficiency** project outputs and outcomes
- **Shorter-term new/improved product/service development and deployment**
- **Longer-term fixed-asset outputs, outcomes and benefits**

## INTERNAL WORKING EFFICIENCY PROJECT OUTPUTS AND OUTCOMES



### Types of internal working efficiency projects: Business & organisational change

The majority of internal working efficiency projects appear to fall into business and organisational change categories, which are widely discussed in the project management literature. Perhaps the best-known major publication on organisational change initiatives is the OGC publication *Managing Successful Programmes*, which is particularly concerned with what it describes as transformational change. But so many types of business and/or organisational change are discussed in the literature that one can only offer at best a partial list of representative types. I have made the following listing from a variety of sources.

- Maintenance of current assets; problem solving current issues
- Internal physical assets improvements – upgrades, replacements
- Internal managerial improvement – e.g. improved management processes, decision making
  - Improved financial and/or cost control systems
  - Cost reduction improvements – ‘doing the same with less’
  - Productivity or efficiency improvements – ‘doing more with the same’,
  - Personnel or HR management actions – better motivated workforce
- Organisational change – e.g. infrastructure, culture
- Compliance initiatives – e.g. socio-economic, safety, health, environmental, legal

### User responsibilities for achieving internal working efficiency outcomes?

On the face of it, the internal users themselves would appear to be responsible for achieving these outcomes. But, in practice it is not necessarily all that simple, particularly when there are a great number of users from different sections of the organisation involved. I can illustrate and discuss this situation with an example from my own personal experience.

### Responsibilities for outcomes when there are multitudinous users

Now, in the context of achieving many business/organisation change outcomes, the actual users will often comprise most of the people in that organisation. In these circumstances, someone will usually need to be designated to represent the interests of all these users, and particularly to ensure that the changes are fully adopted by them.

### ***When users have a designated representative - e.g. a Business Change Manager***

As discussed in Stretton 2022c, in large organisations, and/or with “transformational”-type changes, a designated Business Change Manager (BCM), is often appointed to represent the users. Such an appointment is specifically recommended in two very prominent guidelines/ standards, OGC 2007, and APM 2012.

- *If a designated user representative – e.g. Business Change Manager (BCM) – has been appointed, the BCM is held responsible for overall achievement of the internal working efficiency outcomes.*
- *The program/project manager does not then have any direct responsibility for achievement of these outcomes, but typically has a role supporting the BCM.*

Further, both of these documents emphasise that the relationship between the project or programme manager and the business change manager is crucial. In other words, *although the Business Change Manager is responsible for the achievement of the outcomes, program/project management is often heavily involved in working with the Business Change Manager to help the latter achieve these outcomes.*

However, it was also noted in Stretton 2022c that Thiry 2010:88 contends that the position of Business Change Manager is only warranted in the case of what he describes as “highly strategic” programs.

Only in the case of highly strategic programs would the role of Business Change Manager be warranted and this role would mainly entail preparing the organization for the change, which the program manager cannot always do.

This leads us to a situation with which I became very familiar in practice.

### ***When users do not have a designated representative such as a BCM***

Thiry 2010:88 goes on to say,

In my experience the traditional handover process is not really effective for programs that deal with organizational change, and the role of the program manager should extend beyond the delivery of project outputs.

This is also my personal experience as program/project manager for two major organisational change-related projects in Civil & Civic. One of these projects comprised project managing the development and implementation of an entirely new cost and financial accounting system for the whole organisation in 1961-62 (Murphy 1984:73).

Now, we did not have a Business Change Manager or its equivalent. In this situation, there was no way I could simply hand over the project output – the new system – and expect it to be automatically implemented by the users, even though we had had substantial consultation with so many of them during its development.

Although use of this system was mandatory, in practice it involved my working closely with a host of key people to get them to the point where they adopted it as their system, in the sense of their taking ownership and responsibility for on-going implementation.

In other words, I also had to undertake the work that would have been done by a Business Change Manager if one had been appointed. Thus, my responsibilities as project manager were not siloed, but extended out to encompass achievement of the relevant outcomes. Indeed, this was true of virtually all the internal change programs/projects undertaken within Civil & Civic in my time. For example, when the company undertook what we called the “Calnet” program from the mid-1960s for staged computerisation of all these financial and cost control systems, the project manager (John O’Donnell) was also help responsible for ensuring the successful outcome of this major initiative throughout the organisation.

Therefore, although it was the users who ultimately achieved the fully operational outcomes, the project manager was actually held responsible for securing this conversion of the outputs to these outcomes.

Although I have cited only Civil & Civic examples, it is clear from the above quotes from Thiry 2010 that this has also been the case in many other organisations.

We can therefore summarise responsibilities in this type of situation as follows.

- *If there is no designated user representative such as a Business Change Manager,, program/project managers are often held responsible for both delivering outputs and for the achievement of the relevant internal working efficiency outcomes.*
- *In effect, the PPM then also assumes the role of a BCM or equivalent.*

**Summarising responsibilities for achieving internal working efficiency outcomes**

The above two sets of responsibilities are illustrated in summarised form in Figure 3.

INTERNAL WORKING EFFICIENCY		
Project Outputs (e.g. a new set of working procedures)	Internal user groups convert project outputs of working procedures into improved internal working efficiency outcomes – i.e. into active working practices	Internal outcomes <i>(Working efficiency)</i>
Responsibilities for achieving internal working efficiency outcomes		
<ul style="list-style-type: none"> <li>• <b>OUTCOMES: Designated internal user representative</b> – e.g. a Business Change Manager (BCM) or similar In these circumstances, PPM role is supporting only.</li> </ul>		
<p>If there is no such designated user representative</p> <ul style="list-style-type: none"> <li>• <b>PPM - Program/project management</b> is then often made responsible for achieving these internal outcomes. (In effect, PPM then also assumes role of BCM or similar)</li> </ul>		

**Figure 3. Illustrating responsibilities for internal working efficiency outcomes**

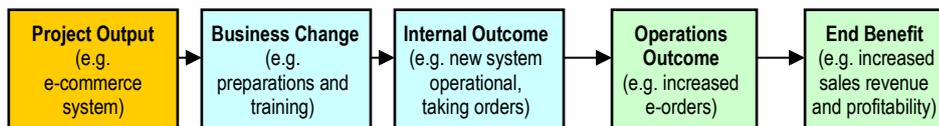
Before moving on to the next major sector, it should be noted here that we have only been talking about *outcomes* in this internal working efficiency sector. We have not mentioned *benefits*. This is because, as OGC 2007 has noted, internal business/organisation change outcomes alone will not produce end benefits – i.e. direct measurable contributions to an organisation’s strategic objective. Internal outcomes then need to be deployed in an operational environment to achieve operational outcomes, and thence end benefits – as illustrated in a slightly different context in Figure 4 below.

**SHORTER-TERM PRODUCT/SERVICE DEVELOPMENT AND DEPLOYMENT**

In this sector I will be discussing the internal development, by an owner organisation (OO) of new/improved product/ service project outputs into ready-for-market outcomes, the operational deployment of these to existing and new customers, and the customer organisation users.

**An example product/service outputs/outcomes/benefits chain**

We start with an example of an outputs/outcomes/benefits chain adapted from OGC 2007, Figure 7.3.



**Figure 4: An example outputs/outcomes/benefits chain, adapted from OGC 2007: Figure 7.3**

**User-groups and shorter-term product/service development/deployment**

The following section of Figure 2 illustrates user involvement in the above types of processes, plus provision for users in the customer organisation receiving the new/improved product/services.

SHORTER-TERM NEW/IMPROVED PRODUCT/SERVICE DEVELOPMENT AND DEPLOYMENT					
Project Output e.g. new/improved products/services	<u>Internal user groups</u> develop project outputs into new or improved ready-for-market product and/or service outcomes	Internal outcomes (products, services)	<u>(External) operations user groups</u> increase sales/ use of new/improved products/ services to existing & new customers [outcomes], thus helping realise benefits for the organisation	Operations outcomes & benefits	<u>Customer organisation users</u> convert delivered products/ services into their own outcomes and benefits realisation processes

**Figure 5: Illustrating user-groups and shorter-term product/service outputs/outcomes/benefits**

**Responsibilities for internal outcomes in the ‘internal user groups’ stage**

This stage involves developing the new/improved product/service outputs into ready-for-market outcomes. It has a lot in common with the above internal working efficiency sector discussed above. Once again, the internal user groups are nominally responsible for achieving the internal outcomes.

However, in this case we are not talking about the complication of having a multitude of users who need to be collectively represented. In the new/improved product/service context this case we would normally have either one, or just a few users, involved in converting the outputs into ready-for-market outcomes.

- *Responsibility for achieving internal ready-for-market outcomes would normally lie with a designated manager such as Product Development Manager (PDM).*
- *Normally, the program/project manager would not be responsible for achieving these internal outcomes, but typically has a role supporting the PDM.*

However, we did have one example in Civil & Civic where the program/project manager was also responsible for developing the output into a ready-for-market outcome. This was the development and commercial deployment of a new design-and-construct system for high-rise concrete framed buildings which we called the 'Progressive Strength' system, developed by our senior R&D man, Alan Cull, with structural engineer Nes Abdallah (referred to in Murphy 1984:133; Clark 2002:41, 236) In this case the former, in particular, had the know-how needed to bring it to the ready-for-market stage. The "Progressive Strength system was subsequently used in over twenty high-rise buildings, including the highly prominent MLC Centre in Sydney's CBD.

- *Therefore, if there was no designated organisational representative, program/project management can sometimes be held responsible for achieving these internal ready-for-market outcomes – in effect, assuming the role of a PDM..*

### **Responsibilities for outcomes and benefits in the 'external operations' stage**

In this stage, the (external) operations user groups engage with existing and new customers in marketing and selling the new/improved products/services. These user groups comprise those organisational members who have direct responsibility for interfacing with customers and potential customers. These people could have any number of titles, including Product Manager, Marketing Manager, and Sales Manager.

The types of external operations outcomes exemplified in Figure 5 are depicted as increased sales/ use of the new/improved products/ services to existing and new customers.

- *Responsibilities for achieving outcomes in the 'external operations' stage will lie with the organisation's managers who have direct responsibilities for interfacing with customers and/or potential customers – e.g. Product, Market or Sales Managers.*

When we come to end benefits from these outcomes, we are talking about direct measurable contribution to a strategic objective (Figure 1). Responsibility for achieving a particular strategic objective would then most likely lie with a member of the top management team, or its appointed nominee, rather than with a customer-interfacing manager.

Various authors have nominated different descriptors of people assigned responsibility for ensuring realisation of benefits. OGC 2007 describes a Benefits Realisation Manager (p.245), but elsewhere (Figure 18.2) very clearly places responsibility for realising benefits with a Business Change Manager, as the formal representative of the owners/users.

Smit 2017 discusses the need for a Portfolio Benefits Manager specialist to ensure consistency across a wide range of benefits realisation processes.

Morris 2013:84 discusses Benefits Management as identifying a 'Benefits Manager' who is responsible for measuring the benefits delivered (or 'harvested') and feeding them back into the program for incorporation in future 'project tranches'

Hudson 2016:437-8 says that Benefits Managers are responsible for facilitating and managing benefits within a programme across one or more organisational areas.

Stewart 2016:202 discusses the work of a dedicated benefits management team in the context of strategic program management initiatives in the Scottish police.

In the following summary I have chosen Benefits Manager to represent the above descriptors of a responsible nominee appointed by top management.

I have also added a note on PPM responsibilities (or lack thereof) in achieving outcomes or realising outcomes.

- *Responsibilities for realising end benefits from operational outcomes will lie with top management, or its appointed nominee, such as a Benefits Manager.*
- *Normally, program/project management will not have any direct responsibilities for achieving 'external operations' outcomes, let alone realising the relevant benefits. On the other hand, PPM can sometimes help the responsible operations management with achieving outcomes.*

### **Responsibilities for outcomes and benefits in the customer organisation**

Customer organisations convert delivered products/ services into their own outcomes and benefits. The possible actions could be widely variable, and it is therefore somewhat problematic to try and represent them in a generalised format.

However, I have elected to depict them as shown in the following summarised format as illustrated in Figure 6 below. This depiction follows somewhat similar lines to those applying to the delivering organisation, but are adjusted for the particular circumstances of a customer organisation.

### Summarising responsibilities for product/service outcomes and benefits

Responsibilities for outcomes and benefits in the above three stages are summarised in Figure 6.

SHORTER-TERM NEW/IMPROVED PRODUCT/SERVICE DEVELOPMENT AND DEPLOYMENT					
Project Output e.g. new/improved product, process, function, or service	<u>Internal user groups</u> develop project outputs into new or improved ready-for-market product and/or service outcomes	Internal outcomes (products, services)	<u>(External) operations user groups</u> increase sales/ use of new/improved products/ services to existing & new customers [outcomes], thus helping realise benefits for the organisation	Operations outcomes & benefits	<u>Customer organisation users</u> convert delivered products/ services into their own outcomes and benefits realisation processes
Project Output – e.g. new product/service	<u>Responsibilities for achieving internal product/service development outcomes</u>		<u>Responsibilities for achieving product/service operational deployment outcomes &amp; benefits</u>		<u>Responsibilities for achieving customer's outcomes and benefits</u>
	<ul style="list-style-type: none"> <li>OUTCOMES: Designated organization representative – e.g. a Product Development Manager In this situation, PPM role is supporting only.</li> </ul> <hr/> If there is no designated org. representative <ul style="list-style-type: none"> <li>PPM – Program/project management may very occasionally be made responsible for achieving these internal outcomes. (In effect, PPM then also assumes role of Product Development Manager or similar)</li> </ul>		<ul style="list-style-type: none"> <li>OUTCOMES: Designated operations mgt. interfacing with organisation's customers/markets – e.g. Product Manager, Marketing Manager.</li> <li>END BENEFITS: Organisations top mgt. or its appointed nominee – e.g. a Benefits Manager.</li> </ul> <hr/> <ul style="list-style-type: none"> <li>PPM - Program/project management has no direct responsibilities re achieving outcomes or benefits PPM can sometimes help designated operations mgt</li> </ul>		<ul style="list-style-type: none"> <li>OUTCOMES: Customers designated operations management</li> <li>END BENEFITS: Customer's top mgt. or its appointed nominee – e.g. a Benefits Manager</li> </ul> <hr/> <ul style="list-style-type: none"> <li>PPM - Program/project management is normally too remote to have any type of responsibilities re achieving customers outcomes or benefits</li> </ul>

Figure 6. Summary responsibilities for shorter-term product/service outcomes and benefits

### LONGER-TERM FIXED-ASSET PROJECT OUTPUTS, OUTCOMES AND BENEFITS

#### Representing provision of fixed-asset outputs by Supplier Organisations (SOs)

Giammalvo 2021b has pointed out that fixed-asset type projects can be developed “in-house” by the owner organisation. However, virtually all the cases I know of have been outsourced to Supplier Organisations (SOs). Giammalvo discusses these alternatives in the following quote.

....depending on the contracting type, the owner would either hire their own engineers and do their own procurement or, more often, outsource the entire package using an Engineer, Procure, Construct and Commission (EPCC) or Design-Build contract. If the owner hired their own engineers and did their own procurement, then they would outsource the construction only using a Design>Bid>Build where the contractor built only what the owner designed.

In this article I have elected to represent the provision of fixed-asset outputs as being undertaken by Supplier Organisations, as depicted in Figure 2 above, and reproduced in Figure 7 below.

LONGER-TERM FIXED-ASSET OUTPUTS, OUTCOMES AND BENEFITS		
<b>Longer-term fixed-                      assets project                      outputs</b>  e.g. new production facilities	<b>SUPPLIER ORGANISATION (SO)</b>	<b>CUSTOMER ORGANISATION</b>
	The provision of substantial project assets is commonly outsourced to supplier organisations, using EPCC, Design-build, Construction or similar contracts. In such cases supplier organisation realises benefits after delivery	<b>Assets &amp; operations mgt. users</b> convert project outputs to fixed asset outcomes, manage assets, & accrue benefits over substantial time frames

**Figure 7. Representing provision of fixed-asset outputs by Supplier Organisations (SOs)**

However, whether or not the fixed-asset project is developed in-house or outsourced, considerations regarding responsibilities within the owner/customer organisation for achieving outcomes and realising benefit are pretty much the same. The latter will be discussed shortly but first we look at responsibilities for outcomes and benefits for the supplier organisation.

### **Responsibilities for outcomes and end benefits for the supplier organisation**

When the supplier organisation delivers asset outputs directly to a customer organisation, it effectively achieves its outcomes at the point of final delivery and acceptance of these deliverables.

- *Responsibility for achieving these outcomes for the supplier organisation is normally squarely with the delivering program/project managers*

On the other hand, financial end benefits for the supplier organisation do not accrue until receipt of the final progress payment by the customer organisation. Since the program/project management team is likely to have moved on by that time, responsibility for ensuring the final progress payment will also have moved on to a designated nominee of the supplier organisation’s top management – who may well have a further role in integrating and consolidating this with financial benefits from other SO programs/projects.

- *Responsibility for realising benefits for the supplier organisation is commonly with its top management, or appointed nominee.*

### **Responsibilities for outcomes/benefits within the customer organisation**

The ways in which longer-term assets are managed in customer organisations will vary greatly depending on the type of asset, the nature of the organisation’s business, changes in its environment, the lifetime of the asset, and many other factors – as will the corresponding achievement of outcomes and the realisation of benefits.

Responsibilities for achieving outcomes will commonly be assigned to designated managers. With his background in the oil and gas industries, Giammalvo describes accountable managers as Asset Managers, and Operations Managers. I discussed some aspects of assets management in Stretton 2021k, and pointed out that asset management has been developed as a distinctive discipline in its own right.

In Lend Lease, the management of commercial and retail building assets was undertaken by a subsidiary company, Lend Lease Investments, with investment managers held accountable for the outcomes of individual investments.

- *Customer organisational responsibilities for achieving outcomes with longer-term fixed assets will normally be assigned to designated nominees, such as Assets managers, Operations managers, Investment managers, or similar.*

With regard to realising benefits, Dalcher 2016 points to the accrual of intermediate benefits over the extended time periods involved.

....outcomes occur beyond delivery and handover. More critically, benefits accrue over an extended time period as the new or improved asset or system goes into use.

- *In these circumstances, it is likely that the designated nominees for achieving outputs would also be held responsible for realising the relevant intermediate benefits. Responsibilities for cumulating and consolidating these into the equivalent of end benefits is most likely to be a member of top management or its designated nominee.*

With regard to program/project management responsibilities, in the context of the provision of roads in the Queensland Department of Main Roads, McGrath 2007, said

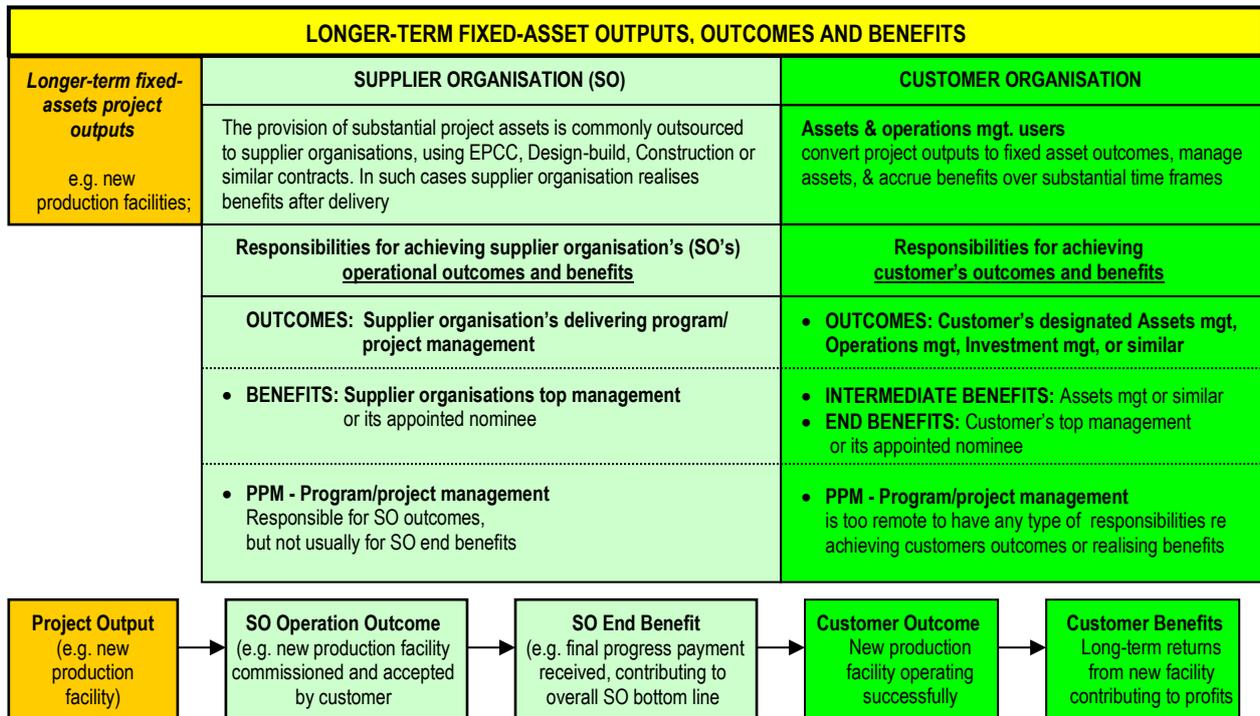
Project management cannot be held accountable for actually realising the benefits from a project, as the delivery team will generally move on when the project is finished. Only the organisation that has the new asset delivered and/or the organisation that subsequently operates it can realise the benefit.

The very long time spans that can be involved with some types of fixed assets is particularly relevant. For example, the Bingham Canyon copper mine in Utah has been operating for well over a century. At a less extreme level, in Lend Lease the expected duration of a commercial building investment in Sydney's central business district was some fifty years.

- *In short, program/project managers delivering longer-term assets are seldom, if ever, in a position to have any responsibilities with regard to the achievement of outcomes or the realisation of benefits within the customer organisation.*

We conclude this segment with the addition of an illustrated summary of the longer-term fixed asset initiatives discussed above to Figure 7.

### Summarising responsibilities for longer-term fixed-asset outcomes and benefits



**Figure 8. Summarising responsibilities for longer-term fixed-asset outcomes and benefits**

### SUMMARY/DISCUSSION

This has essentially been an enquiry into the extent that program/project management does, or does not, have responsibilities for achieving outcomes and/or realising benefits from program/project outputs. The approach used has been to build on three project outputs/outcomes/benefits frameworks developed in my previous article in this journal (Stretton 2022c) – an article which specifically focused on representing and illustrating the roles of users of project outputs in achieving outcomes and/or realising benefits.

These three frameworks comprised three types of outputs-outcomes-benefits chains:

- Internal working efficiency outputs and outcomes
- Shorter-term new/improved product/service development and deployment
- Longer-term fixed asset program/project outputs, outcomes and benefits

Whilst these three frameworks by no means cover all types of outcome-outputs-benefits chains, they do appear to embrace a sufficiently large sample to give at least some indication of the extent to which program/project management has specific responsibilities for achieving outcomes and/or realising benefits in broader contexts.

We can group extracts from the summaries of responsibilities for achieving outcomes and benefits from the three frameworks into the above three bullet-pointed categories. There are two extracts for each category, as now presented and discussed.

## Responsibilities for achieving internal efficiency/development outcomes

The following extracts from Figures 3 and 6 both relate to initiatives undertaken within the organisation – the first (on the left below) being concerned with internal working efficiencies, and the second with the internal development of new/improved products/services for later deployment in the marketplace.

Responsibilities for achieving internal working efficiency outcomes	Responsibilities for achieving internal product/service development outcomes
<ul style="list-style-type: none"> <li><b>OUTCOMES: Designated internal user representative</b>                      – e.g. a Business Change Manager (BCM) or similar                      In these circumstances, PPM role is supporting only.</li> </ul>	<ul style="list-style-type: none"> <li><b>OUTCOMES: Designated organization representative</b>                      – e.g. a Product Development Manager                      In this situation, PPM role is supporting only.</li> </ul>
If there is no such designated user representative <ul style="list-style-type: none"> <li><b>PPM - Program/project management</b> is then often made responsible for achieving these internal outcomes.                      (In effect, PPM then also assumes role of Business Change Manager, or similar)</li> </ul>	If there is no designated organisational representative <ul style="list-style-type: none"> <li><b>PPM - Program/project management</b> may very occasionally be made responsible for achieving these internal outcomes.                      (In effect, PPM then also assumes role of Product Development Manager, or similar)</li> </ul>
<i>[Extract from Figure 3 above]</i>	<i>[Extract from Figure 6 above]</i>

It can be seen that responsibilities for achieving these two sets of internal outcomes are either assigned to an internal representatives of a multitude of users, or to a specialist product/service development manager. In these circumstances, the role of program/project management is supportive only.

However, if there is no such designated representative, program/project management is sometimes made responsible for achieving the internal outcomes. Thiry 2010 has reinforced my own experience that this arrangement is not uncommon with internal working efficiency initiatives/projects. So, although I have not seen any consolidated data on the incidence of assignment of such responsibilities to PPM, it certainly appears that they are sufficiently common to be formally acknowledged as such.

## Responsibilities for achieving operational outcomes and benefits – OOs & SOs

Here we have two quite different types of initiatives. Both of them precede and include delivery of products/services to customers, but do so in very different contexts.

### ***Operational owner organisations deploying developed products/services***

The first of these operational initiatives is summarised in Figure 6, as reproduced below. It illustrates responsibilities of members of an owner organisation in deploying outcomes from internal development of new/improved products/services in the external market place to achieve its own outcomes and benefits, deriving from sales to new or existing customers.

<b>Responsibilities for achieving product/service operational deployment outcomes &amp; benefits</b>
<ul style="list-style-type: none"> <li>• <b>OUTCOMES:</b> Designated operations mgt. interfacing with organisation's customers/markets – e.g. Product Manager, Marketing Manager.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>END BENEFITS:</b> Organisations top mgt. or its appointed nominee – e.g. a Benefits Mgr.</li> </ul>
<ul style="list-style-type: none"> <li>• <b>PPM - Program/project management</b> has no direct responsibilities re achieving outcomes or benefits                      PPM can sometimes help designated operations mgt</li> </ul>
<i>[From Figure 6 above – OO operations]</i>

As indicated in the upper section of Figure 6, relevant outcomes would be increased sales/ use of new/improved products/ services to existing & new customers. Responsibility for achieving these outcomes lies with the designated operations management interfacing with organisation's customers/markets – for example, a Product Manager, Marketing Manager, or similar.

On the other hand, realising end benefits, along with those contributed by other operational initiatives, would normally lie with the organisation's top management, or its appointed nominee – for example, a Benefits Manager, or similar.

Finally, program/project management has no direct responsibilities in relation to the achievement of these operational outcomes, let alone the realisation of benefits. However, it can sometimes be involved in helping designated operations management achieve operational outcomes.

***Supplier organisations delivering project outputs directly to customers***

The second of these operational initiatives was summarised in Figure 8, as reproduced below. It illustrates responsibilities of members of a supplier organisation delivering project outputs directly to customers (in the Figure 8 example, fixed asset type outputs).

<b>Responsibilities for achieving SO's operational outcomes and benefits</b>
<b>OUTCOMES:</b> Supplier organisation's delivering program/project management
<ul style="list-style-type: none"> <li>• <b>END BENEFITS:</b> Supplier organisations top management or its appointed nominee</li> </ul>
<ul style="list-style-type: none"> <li>• <b>PPM - Program/project management</b> Responsible for SO outcomes, but not usually for SO end benefits</li> </ul>
<i>[From Figure 8 above – SO operations]</i>

In this we are concerned with the responsibilities within the supplier organisation itself for achieving its outcomes, and for realising benefits there-from.

In most cases, the supplier organisation's program/project manager who delivers the project output to the customer will be responsible for achieving the desired outcome, which, in the example given in Figure 8, would involve commissioning and acceptance of a new production facility by the customer.

With regard to end benefits, we have a similar situation to the above, where final responsibility for realising these benefits, along with those contributed by other operational initiatives, would normally lie with the supplier organisation's top management, or its appointed nominee – for example, a Benefits Manager, or similar.

In summary, program/project management will normally be held responsible for achieving the supplier organisation's outcomes, but not for realising its end benefits.

## Responsibilities for achieving customer’s outcomes and benefits

It is clearly not practicable to suggest anything other than a very broad indicator of responsibilities for achieving outcomes and realising benefits within a customer organisation. However, in the above we have exemplified two types of project-related entities received by customer organisations – one described as shorter-term current assets, and the other as longer-term fixed assets. Responsibilities for achieving the customer organisation’s outcomes and benefits from these two types of assets can be seen as somewhat different, as indicated in the two summary extracts from Figures 6 and 8 above.

<b>Responsibilities for achieving customer’s outcomes and benefits</b>	<b>Responsibilities for achieving customer’s outcomes and benefits</b>
<ul style="list-style-type: none"> <li>• <b>OUTCOMES:</b> Customers designated operations management</li> </ul>	<ul style="list-style-type: none"> <li>• <b>OUTCOMES:</b> Customer’s designated Assets mgt, Operations mgt, Investment mgt, or similar</li> </ul>
<ul style="list-style-type: none"> <li>• <b>END BENEFITS:</b> Customer’s top management, or its appointed nominee – e.g. a Benefits Manager</li> </ul>	<ul style="list-style-type: none"> <li>• <b>INTERMEDIATE BENEFITS:</b> Assets/Operations/Investment mgt or similar</li> <li>• <b>END BENEFITS -</b> Customer’s top mgt or its appointed nominee</li> </ul>
<ul style="list-style-type: none"> <li>• <b>PPM - Program/project management</b> is normally too remote to have any type of responsibilities re achieving customers outcomes or benefits</li> </ul>	<ul style="list-style-type: none"> <li>• <b>PPM - Program/project management</b> is too remote to have any type of responsibilities re achieving customers outcomes or realising benefits</li> </ul>
<i>Shorter-term current asset received                  [From Figure 6 above]</i>	<i>Longer-term fixed assets received                  [From Figure 8 above]</i>

For our purposes, the key conclusion shared by these is that program/project management is normally too remote from the activities in these customer organisation contexts to have any type of responsibilities re achieving customers outcomes or benefits

## Summarising program/project management responsibilities re outcomes/benefits

### ***PPM typically responsible for achieving supply organisation’s outcomes***

We found one domain in which program/project management (PPM) is habitually responsible for achieving outcomes – i.e. in the context of the more immediate objectives of project supplier organisations. The perspective of the supplier organisation is seldom discussed in the project management literature, so that this particular kind of PPM responsibility is rarely mentioned.

### ***PPM sometimes responsible for achieving internal working efficiency outcomes***

We found another domain in which PPM is sometimes made responsible for achieving outcomes – i.e. in the context of internal working efficiency programs/projects, when no designated user representative has been appointed. We also recorded one case where this applied in internal project/service development projects, but conjectured that there would probably be relatively few such cases.

### **PPM rarely responsible for operating outcomes in owner organisations**

However, in the external operating domains of owner organisations, we did not find any cases where PPM was responsible for achieving outcomes of owner organisations.

### **Delivering PPM rarely responsible for outcomes in customer organisations**

I deliberately exemplified longer-term fixed asset deliverables in this sector, partly because delivering PPM cannot have any outcome responsibility in such long-term ventures.

The above two examples of rare PPM responsibility must surely cover a high percentage of all types of project outputs and outcomes, particularly in terms of dollar value. This should also serve as a cautionary note to those who continue to imply that PPM has greater responsibility for achieving outcomes than it actually has.

It is also recorded that we did not find one example of PPM responsibility for realising end benefits.

Finally, it is again acknowledged that there are many other types of project outputs/outcomes/ benefits contexts which have not been covered in this working paper, and that it is hoped that further contributions to the above will be made by project management people who have relevant knowledge and/or experience in such different contexts.

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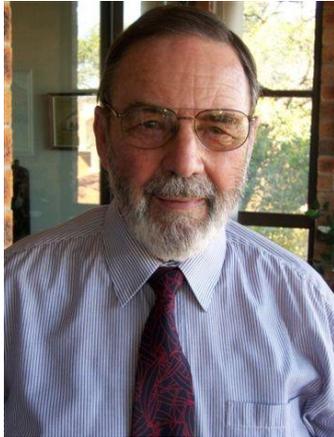
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