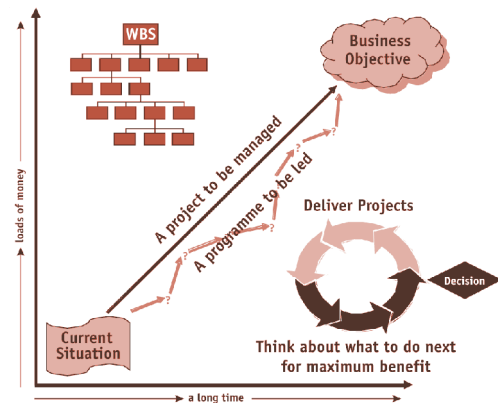


**Gaining benefit for projects from a programme mindset**

Historically there has been a huge amount of confusion in the project management world about what a programme is and what makes programme management different from 'big' project management, and indeed from portfolio management. Without wanting to re-run that debate we need to start by clarifying our position which is that just because designing and building giant North Sea Oil Platforms may have cost over £1 billion and took over five years to complete, they were still projects, not programmes. Likewise the Channel Tunnel project wasn't a programme either. They were both just very big projects where it was possible to decompose the scope at the start, even though a degree of 'rolling wave', iterative planning was needed. For projects, the work to be done is not optional; and as a result what is needed is rational, deliberate management to achieve the specific objectives for change.

Programmes do not have to be 'big' in terms of duration or budget, but whatever shape or size they manifest themselves in they are always a collection of projects often combined with routine work, that are linked together by a common business goal or strategic objective. To achieve the strategic objective it is not possible to decompose the scope at the start. You may have a good idea about the sort of work that will be done, but you cannot predict it with certainty due to the emergent nature of change at a strategic level. So, going back to the Oil Platform and the Channel Tunnel, you could say that these projects were part of two even bigger programmes, the first to exploit oil reserves in a North Sea oil field. When the 'block' of sea-bed was originally purchased there was probably little idea of how the reserves, if there were any, would be extracted or how they would be brought to the market. All that was known was that if there was oil there then the strategic objective would be to exploit it quickly and

efficiently whilst achieving the business goal of doing that at a vast profit. Likewise if there was a programme to improve communication links between the UK and mainland Europe then the Channel Tunnel was a project within it. Hopefully there was also an associated strategic objective and business goal! Perhaps a tunnel wasn't even needed to achieve that?!



**The key point here is that due to the ambiguous nature of programmes, they need to be managed in a different way.** Some work will be optional and leadership of transformational change is required to achieve the desired business benefits. All this justifies the need for work within programmes to be done using a cyclical rather than linear life cycle so that when the business goal has been achieved, work stops.

Where is all this leading? Having said that programmes are not just 'big' projects we do believe that managing some projects as a programme and applying the transformational tools, techniques, processes and mindsets that go with it can be very beneficial.

We have recently witnessed an innovative, programme mindset applied to a situation that in the past would have been managed as a single project. The resulting business benefits have been enormous. The project was to improve drinking water quality in a major industrial city. The prime source of poor quality was the state of the ring main that encircled the city. The ring main was quite old in places and full of 'crud' from years of transporting water that contained large amounts of iron and manganese that had settled in the pipes. When the iron and manganese decided to move there were unfortunate effects on the colour of water supply with it looking more like Guinness™ than drinking water. In the ideal world the water company carrying out the work would spend a large sum of money to renovate or replace all the pipe work in the main. But in the real world money is tight and therefore this isn't possible.

Applying an **innovative programme management approach** including understanding the strategic objective i.e. to improve water quality to as many homes and businesses as possible and the business goal to do this at least cost and at a level of acceptable risk, allowed the company to **identify the projects that would give the most benefit, define their relative priorities within the programme, continually change or revise individual project objectives and accelerate, decelerate, add or cancel projects as the work progressed.**

If this is one example of where programme management can be applied to work that has traditionally been managed as a project are there any others? Having worked in and around the pharmaceutical business for many years and witnessed the methods used to develop new drugs and bring them to market another example of a classic programme (as defined earlier) is what is typically called a Drug Development Project. These projects are costly, complex, multi-functional, usually multi-national and can take place over a long period of time but all this doesn't necessarily make them a programme. What does is that they obviously have clear strategic objectives and business goals and when they start there is actually no real idea

how they will get to the end point let alone if it is possible or not. Although the generic phases that the drug must pass through are known, there is generally little idea what trials will be needed, what regulatory issues there will be or whether the target molecule will be efficacious in the intended therapy area. The side-effects may be more exciting than the original plan as in the case of Viagra™.

It is our assertion that the mindset of programme management could add significant value to drug development projects. As usually is the case, the terminology doesn't matter much, but the skills that are brought to bear on the situation matter a lot.

The title of this Lucid Thought is not intended to add to confusion about the differences between projects and programmes - the differentiators are clear and generally understood. Big technical jobs do not need programme management to make them work - they need really excellent project management and that is valuable and in short supply. What this Lucid Thought is intended to say is that we believe there are **situations currently being managed as projects that would significantly benefit from the application of programme management disciplines.** The trick is to find out where, and to develop the skills so the benefits are realised.

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