

## Program Management

By Michel Thiry

(A book review by R. Max Wideman, FPPI)

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### Introduction

With the exception of the Project Management Institute's *The Standard for Program Management*, not one of the books in our library is devoted entirely to Program Management. But now the time has come. In this latest book for review: *Program Management*,<sup>1</sup> Author Michel Thiry has dedicated his entire book to this discipline, based on his more than 30 years working in, and developing, this subject area. But for us, this is a groundbreaking experience.

According to Michel, the definition of Program Management could be labeled as:<sup>2</sup>

"The governance and harmonized management of a number of projects and other actions to achieve targeted benefits and create value for the program sponsors in the short-term, change recipients in the medium-term and the organization in the long-term."

So, assuming that we know what "governance and harmonized management" mean, Michel then states:<sup>3</sup>

"Programs, by definition, constitute the missing link between the executive level strategy and the projects and operations that will enable it to deliver value."

And:<sup>4</sup>

"Program Management has emerged as a distinct discipline in the late twentieth century":

But:<sup>5</sup>

"According to a number of recent surveys, executing strategies to realize value is one of the failures of today's management and optimizing the use of resources to achieve this is even more of an issue"

Moreover, as Michel observes:<sup>6</sup>

"Project Managers lack the proficiency and/or capability to understand or question strategic language and are often not aware of the expected benefits."

So:<sup>7</sup>

"The purpose of this book is to make executives, managers, students or academics understand the issues that arise from the practice of Program Management and be able to, not only perform it, but also implement it sustainably in their organizations."

"This book is meant to represent a wide variety of program management practice and not be tied to any particular standard."

We might add that this is no small order given the internal politics that inevitably exist anywhere you have significant numbers of people involved, such as in large organizations.

The book is well written in a clear style. Part III is definitely academic in flavor and may be heavy reading for some. However, overall the book is relieved by being well illustrated with tables and diagrams. In our opinion, the author has set out sound advice that readers should find both reliable and realistic.

**About the author<sup>8</sup>**

"Michel Thiry has an MSc in Organizational Behaviour with the School of Management and Organizational Behaviour at the University of London and is currently pursuing a PhD at Middlesex University. He is a Fellow of both PMI and the Association for Project Management."

"Michel is founder and managing partner of Valense Ltd, an international consultancy and Education Network and PMI Global Registered Education Provider (REP). He has over 35 years worldwide professional experience, has worked in many cultural environments, and is recognized as a worldwide authority in strategic applications of project, program and value."

**Book Structure**

Following an Executive Summary, the content of this book is set out in three parts, containing 11 chapters, a Conclusion and References as follows:

Executive Summary

**PART I – THE PROGRAM CONTEXT**

1. Background and Definitions
2. Organizational Context
3. Program Context

**PART II – THE PROGRAM CONSTITUENTS**

4. Key Program Functions
5. Program Actors

**PART III – THE PROGRAM LIFE CYCLE**

6. Program Life Cycle Outline
7. Program Definition (Formulation)
8. Program Definition (Preparation)
9. Program Deployment (Capabilities Delivery and Transition)
10. Program Deployment (Capabilities Integration and Benefits Appraisal)
11. Program Closure

Conclusion

*References*

The chapters in Part I explain why program management is an essential tool for achieving strategic decisions and how different people view programs differently. The relationship between programs and other components of the business is outlined, and how a program culture can be developed to increase an organization's program maturity.<sup>9</sup>

The two chapters in Part II identify the constituents and functions that make program management what it is in a program culture context. In addition, change management and strategic decision management are introduced together with the steps required to make and implement decisions in a complex environment. Finally, the roles and responsibilities of the different actors of the program are described in detail, both in terms of the responsibility to lead and manage the key components through each stage of a program's life cycle.

Part III, with its six chapters, is the largest part of the book. This part describes how the program management life cycle with its three main stages of Definition, Deployment and Closure, must reflect the rhetoric and concepts of strategic long-term management, rather than the product-centric short-term view of traditional project management. This is necessary to gain executive management support. It also describes in detail all the steps necessary to successfully deliver a program from its definition to its closure, while the last two chapters present a step-by-step program methodology.

The book has a total of 278 pages. It does not include a Glossary of Terms, and since the author uses a large number of acronyms, a listing of them and their meanings would also have been helpful.

### **What we liked**

We really liked the idea of introducing the contents through an Executive Summary that succinctly reflects the contents of each Part and in each Chapter of the book. This enables the reader to quickly grasp both the structure of the book and the philosophy of the author concerning Program Management. That is, in terms of how Program Management has evolved in recent years, what it is, how it should be applied, the benefits to be expected, and how it may be implemented through appropriate projects in an organization.

For example, here are some excerpts:<sup>10</sup>

"This chapter [chapter 1] will interest both managers and practitioners since it defines what a program is in relation to other similar methods and explains why program management is ideally suited to realize strategic decisions."

And:<sup>11</sup>

"Program Management could be labeled as: The governance and harmonized management of a number of projects and other actions to achieve targeted benefits and create value for the program sponsors in the short term, change recipients in the mid-term and the organization in the long term."

Moreover:<sup>12</sup>

"Programs can be 'deliberate', driven by strategy, or 'ad hoc', a convenient grouping of existing projects."

And:<sup>13</sup>

"The second section of the chapter [chapter 3] will clarify why simply transferring project management tools and techniques to the program level does not work ..."

Project managers, guideline and standards developers please note! So, on the contrary:<sup>14</sup>

"Five 'functions' can be identified as essential to the practice of program management. They are: decision management, [program] governance, stakeholder engagement, change management and benefits management."

Where:<sup>15</sup>

"Decision management is a new area of development that requires both a learning cycle, the actual decision-making process, and a performance cycle, the decision realization process. Managers will understand that decision-making is not just about tools, but about making the right choices, based on objectives that have been agreed and can be measured."

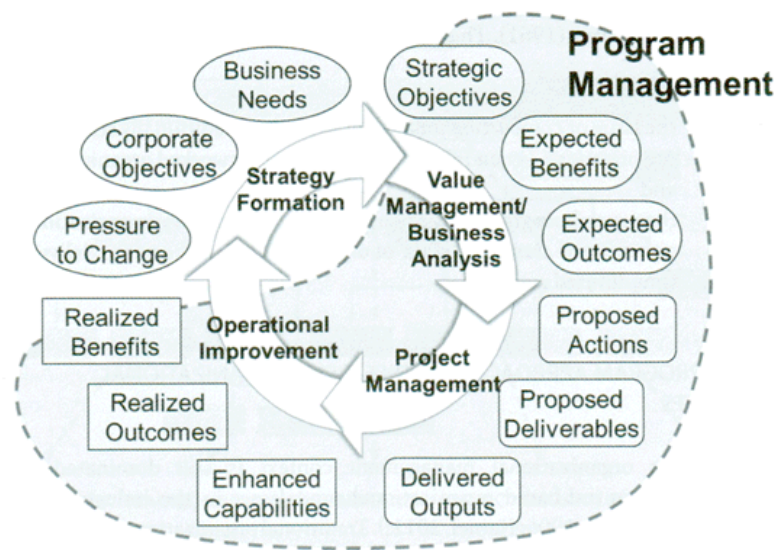
For those in any doubt, Michel makes it clear that there is now general agreement amongst standards representatives on the focus and purpose of projects, programs and portfolios.

They may be distinguished as follows:<sup>1617</sup>

"*Projects* generally deliver outputs: a single product or service ... *Programs* deliver outcomes:<sup>18</sup> sets of capabilities which, together, produce benefits<sup>19</sup> ... *Portfolios* can cover two areas: the organization's projects or its whole investment portfolio ..."

"Outcomes" are clearly more suited to programs than projects, because inevitably more stakeholders are involved who can best be served by a number of separate projects.

In program management, benefits are tangible improvements that contribute to the overall value of the organization or have a positive social impact. To be quite clear, according to author, Michel Thiry, Program Management has the responsibility for delivery, or at least ensuring the delivery, of benefits to the organization, since "Benefits realization is the fundamental purpose of program management."<sup>20</sup> Michel's model of program management is shown in Figure 1.



**Figure 1: Michel Thiry's view of "Realizing Business Value"**

## Downside

The following comments are not so much a criticism of Michel's Thiry's book as it is of the process of Program Management itself, using his book as a basis. There can be no question that the level of competence describe in the book requires additional management resources from which some conclusions can be drawn:

- Program management is only for organizations, whether public or private, in which Executive management requires the type of influence provided by program management, and has access to the necessary people and support, including funding, to implement it.
- That means large corporations: public, private, non-profit, and government departments.
- By contrast, however, program management can be scaled down to imply the managing of a small group of related projects. Indeed, Peter Morris has suggested that Program Management may simply cover:<sup>21</sup>
  - ✓ A portfolio of projects related to some common objective;
  - ✓ An organization's business strategy which is to be implemented through projects;
  - ✓ The interdependencies between a number of projects;
  - ✓ Resource allocation amongst a portfolio of projects.

One has to question to what extent it is practical in most organizations for Program Management (PgM) staff to be responsible for Realizing Outcomes and Benefits as shown in Figure 1 earlier. Or even ensuring they are achieved, when the tools are firmly in the hands of Business as Usual (BaU) operations? Is PgM given the authority to "lord" it over BaU, or is BaU made subservient to PgM on the corporate organization chart? Either way, an extra layer of management is inevitable. Obviously, some specific control must be exercised to avoid an unnecessary growth of bureaucracy.

As quoted earlier, the difference between outputs and outcomes has special significance in Program Management, i.e. "*Projects* generally deliver outputs: a single product or service ... *Programs* deliver outcomes:<sup>22</sup> sets of capabilities which, together, produce benefits.<sup>23</sup>" In the case of projects, the resulting tangible assets can be observed, tested and so on. In the case of Program outcomes, such as *cultural* changes, the first question to be answered is: Changes from what?

There is a relevant saying that "What gets measured gets done". The implication is, of course, that if it isn't measured, most likely it will not get done. This has special significance for program management, because programs deliver "outcomes" that represent changes in capabilities that can only be assessed by comparison with an earlier condition. Therefore, prior surveys are an essential part of managing many types of programs and, as a prerequisite to a decision to launching a program; current status requires special emphasis and attention.

By the same token, the successes of individual projects in a program are difficult to establish, because success is only realistically possible to measure by examining the results of the program as a whole.

At the end of the day, one is left with a rather queasy feeling — so who is really in charge of making sure that "benefits" happen? In the real world, quite often the answer is simply the most powerful unit in the organization. And equally often, that answer turns out to be "Marketing".<sup>24</sup>

## Summary

As author Michel Thiry states in Conclusion:<sup>25</sup>

"Program management is the link between the business strategy and the value it will generate when implemented. It is the process through which *executives* will be able to express their needs and make sure they are fulfilled. *Sponsors* will be able to define the improvements they are expecting and clearly link them to the strategy to ensure they are realized and aligned with the business objectives. *Program managers* will understand how to support both executives and sponsors in a tangible way and how to deliver measurable results to the business. *Project managers* will understand how their role is essential to the program's success and finally, *operational* and *technical actors* will be able to make sure the expected improvements are well integrated and produce the expected results."

And:<sup>26</sup>

"At all levels, the program actors must commit to generate benefits over and above those which projects generate on their own, to move away from using a project (performance only) management mind-set and methodology, and to articulate why program management might be implemented in their organization and understand how it can be sustained."

In short, there is a place for everyone and everyone has their place! Michel's vision of the Program Management discipline is the creation of a very structured affair. Achieving it, however, is another matter, which is why Part III of the book goes into great detail.

But you have to read the book and follow its advice to find out.

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Fellow, PMI

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<sup>1</sup> Thiry, Michel, *Program Management*, Gower Publishing Limited, printed in the UK by Henry Ling Limited, at the Dorset Press, Dorchester, 2015

<sup>2</sup> Ibid, p4

<sup>3</sup> Ibid, p1

<sup>4</sup> Ibid, p3

<sup>5</sup> Ibid, p1

<sup>6</sup> Ibid, p1

<sup>7</sup> Ibid, p1

<sup>8</sup> Ibid, back cover.

<sup>9</sup> Ibid, p13

<sup>10</sup> Ibid p4

<sup>11</sup> Ibid

<sup>12</sup> Ibid, p5

<sup>13</sup> Ibid

<sup>14</sup> Ibid

<sup>15</sup> Ibid p6

<sup>16</sup> Ibid, P. 31-32

<sup>17</sup> Table 2.1 on page 32 provides a valuable and detailed comparison between projects, programs and portfolios by comparing the separate areas of 'Scope, Change, Success, Leadership, Role, responsibility, Main Tasks and Control.'

<sup>18</sup> Note the subtle difference between "outputs" and "outcomes". Outputs are deliverables or assets that are tangible benefits by nature, whereas "outcomes" are the consequence of delivering benefits through the proper use of those assets.

<sup>19</sup> Ibid p111: Note that in program management, benefits are measurable improvements that contribute to the overall value of the organization or have a positive social impact.

<sup>20</sup> Ibid, 114

<sup>21</sup> P.W.G. Morris. Centre for Research in the Management of Projects (CRMP), University of Manchester, UK, 1999 (Wideman Glossary entry D03742)

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<sup>23</sup> *Program Management* p111: Note that in program management, benefits are measurable improvements that contribute to the overall value of the organization or have a positive social impact.

<sup>24</sup> Marketing may be associated with promotion, selling, product distribution, political vote seeking, or self-survival in the case of non-profits.

<sup>25</sup> Ibid, p11

<sup>26</sup> Ibid, p264