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ACHIEVING BUSINESS GOALS THROUGH EFFECTIVE PROGRAMME MANAGEMENT

J. LeRoy Ward - 19-May-2008

Thoughtful programme management is applicable to designing and implementing weapons systems or revamping wealth management companies. J. LeRoy Ward explains how it works and what competencies a manager should develop.



To many executives, programme management is a relatively new concept. But to others, particularly in the UK and the US, for more than five decades it's been a proven method for getting work done.

In the 1950s, the United States Department of Defense used best practices in programme management to oversee major weapons systems development and acquisitions initiatives such as submarines and fighter planes. The discipline has since branched into the private sector, including the financial services industry,

as businesses leaders began identifying it as an effective way to successfully manage ongoing, mission-critical initiatives and organisational change.

Defining programme management

Programme management focuses on achieving successful results by paying attention to the overall business benefits through an emphasis on benefits management. These benefits are realised when one is able to focus intently on the many complex interdependencies that exist between an organisation's component projects, rather than on any one specific project.

Consider this: your company has dozens of projects running concurrently. Each project has a separate budget, scope, team of employees and time-line. However, don't these projects all exist under the same corporate umbrella? Furthermore, don't objectives across subsets of these projects align to your broader organisational initiatives? If the answers are yes, then it is imperative that you add programme management to your skill set.

Programme management and your organisational goals

Recently, one of the world's largest private wealth management firms, located in Europe, initiated a major effort to connect with its clients more effectively by providing the highest level of client service and satisfaction available. By the time it did this, the industry had evolved to a point where the difference between winning and losing a customer was often based on a firm's ability to provide easily accessible, highly customisable account information at a moment's notice.

Instead of treating the initiative like one enormous project run through various divisions, it appointed a programme manager and tasked her with organising the effort through a programme office. With full support from executive management, she convinced each stakeholder to agree upon the five key customer benefits of investing with the firm and, for the first time in the company's history, she established a cross-functional integrated product development (IPD) team to develop the programme plan.

The IPD team's overall plan included 15 individual projects whose collective output would drive to the outcomes of the previously identified benefits. Each project was assigned a project manager and the program office then developed an integrated programme schedule to show how each project related to the other and which projects were critical for one or more of the key benefits.

From the very start, the programme manager recognised that because the projects had such a high degree of integration, it was essential to manage them as an individual programme. A delay in one project could easily delay the others. Therefore, the risks identified were at both the programme and individual project level. She was also able to identify that one person must have the authority to make decisions across the various projects. If the initiative hadn't been treated as a programme, serious organisational conflict would most certainly have arisen, leading to frustration, delays and missed requirements. By applying programme management, she was better able to utilise staff resources across all 15 projects, as opposed to staffing the individual projects separately. For example, she used efficiently just one key outsourcing vendor for programming in Bangalore. In fact, during the planning stage, key staff from the Bangalore vendor participated in all of the meetings, so they knew exactly what their role was and when they were needed.

"From the very start, the programme manager recognised that because the projects had such a high degree of integration, it was essential to manage them as an individual programme."



Although there were a few of the usual slips along the way, the programme was completed within the specified time frame and the firm was able to deliver all five benefits as an integrated whole to its customers. Today, the firm is known for providing one of the highest levels of customer service to its private wealth management audience.

Essential for the financial services industry

There are few industries that stand to benefit from programme management as much as financial

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services. Across the industry, executives work gruelling, masochistic schedules all with one goal in mind: being first to market. To put it simply, speed is everything.


However, speed and execution aren't always enough. By focusing so hard on the here and now, it's easy to miss the big picture and fail to identify the myriad of connections that exist between your organisation's projects. Failing to understand the integrated nature of projects could also lead to missed opportunities for improvement and an overall failure to identify potential risks. A senior executive with solid acumen in programme management will have a clear understanding of the big picture, and he or she will ultimately have the tools required to construct a plan for meeting organisational goals effectively.

Nine primary competencies for senior executives


I have listed nine primary competencies that today's senior financial services executive should possess to improve his or her performance and succeed in an increasingly competitive marketplace.

1. **Big-picture thinking and the ability to sell the vision**
You must be able to look beyond a single project and see how it fits into larger organisational objectives. And, more importantly, you must be able to sell your vision to colleagues at all levels.
2. **Superior analytical skills**
The ability to analyse disparate strands of information and identify trends and change drivers is essential when dealing with many interrelated projects.
3. **Leadership and team building**
As budgets and scopes become more aggressive and responsibilities increase, your teams will grow exponentially in size and complexity. Being able to build and lead a team and collaborate with others is an absolute requirement when tasked with managing programmes.
4. **Communication**
From day one, a senior executive is required to communicate — both written and verbally — with a wide range of individuals, from executives and governance boards to colleagues and stakeholders.
5. **Influencing and negotiating**
As you know by now, politics and hierarchies are inevitable in business. If you have the skills to navigate your organisation's political scene, negotiate effectively and influence sponsors, you'll be able to guide programmes to success.
6. **Conflict resolution**
Politics and hierarchies inevitably lead to conflict, especially as the stakes increase. Being able to face conflict directly and solve problems will help you diffuse potential disasters early.
7. **Stakeholder management**
By keeping stakeholders and their expectations in check and forging a collaborative relationship with each of them, you and your stakeholders will enjoy mutually beneficial harmony.
8. **Planning and resource management**
Senior executives must be able to develop a variety of plans — risk, cost and contingency to name a few — and align those with the organisational objectives.
9. **Mastery of tools and techniques**
There are myriad proven programme management tools and techniques available — from milestone planning and statistical quality control to scenario analysis and brainstorming. My advice: know them all.

J. LeRoy Ward, executive vice president of ESI International, is responsible for worldwide training programs and international partnerships. Complementing a 17-year career with four U.S. federal agencies, Mr. Ward has delivered project management programs to clients in North and Central America, Europe, Asia and Australia. He has authored several publications including 'Project Management Terms: A Working Glossary' and speaks frequently on project management.

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