

# Strategic Alignment

Integrating project management into the organization requires you to align it three ways:

- **Strategic alignment.** Project objectives align with organizational objectives.
- **Organizational alignment.** Project resources integrate seamlessly with resources engaged in other business processes, research and operations.
- **Process alignment.** Project activities interface seamlessly with other business processes.

## Conditions for Successful Alignment

Successful project alignment relies on six factors:

- 1. Balanced and comprehensive objectives.** Successful and stable portfolios require a balanced, cooperative environment in which projects and personnel work together for the organization's benefit. The portfolio of projects<sup>1</sup> must balance both project objectives and resources based on the strategic plan.
- 2. Specific and durables objectives.** The efficient organisation focuses resources on durable objectives designed to move the organization toward its vision<sup>2</sup>.
- 3. Hierarchical framework.** A well-developed hierarchical framework of objectives and goals translates high-level objectives to the appropriate level for the program managers and project managers, plus other management and technical functions.
- 4. Measurable objectives.** Measurements and metrics offer clear guidelines for balancing project objectives.
- 5. Stakeholder agreement.** If stakeholders disagree with the objectives of the organization (or project), conflict will disrupt progress, achieving alignment is critical<sup>3</sup>.
- 6. Environmental and organizational assumptions.** Assumptions influence the project plan. Write them down, confirm them and store them. Identify the risks that will occur if the assumptions are wrong or change.

## The Levels of Strategic Planning

The Levels of Strategic Planning provide for a starting point from which to organize a decision-making matrix. Planning at the highest levels is the most general and ethereal; the lowest levels are more specific and concrete.

**Grand Strategy: Political direction.** The Grand Strategic decision-making process focuses on the goals to be achieved by the organisation as a whole and the ethical framework and rules of governance to be applied to the achieving of the vision. This is the role of the Board of Directors or similar body.

**Strategy: High-level portfolio planning.** This work primarily involves logistics; resource availability, capacity and capability. The goals set are of lesser scope than those of Grand Strategy, which is concerned with the overall vision. Strategy at this level is concerned with dividing the vision into strategic objectives, defining the programs to achieve these objectives, and harmonizing the objectives across all areas to support and achieve the general vision for the organisation. Once the board has set the vision, Executive Management decide how best to achieve these aims.

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<sup>1</sup> For more on Portfolio Management see: [http://www.mosaicprojects.com.au/WhitePapers/WP1017\\_Portfolios.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1017_Portfolios.pdf)

<sup>2</sup> For more on objectives and deliverables see: [http://www.mosaicprojects.com.au/WhitePapers/WP1042\\_Outputs\\_Outcomes\\_Benefits.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1042_Outputs_Outcomes_Benefits.pdf)

<sup>3</sup> For more on stakeholder alignment see: [http://www.mosaicprojects.com.au/WhitePapers/WP1007\\_Stakeholder\\_Cycle.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1007_Stakeholder_Cycle.pdf)

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**Operations: Grand Tactics.** Managing an individual program of work to obtain the objectives set by Executive Management. This involves the day to day direction of projects and operational works towards achieving a series of tactical goals which must be harmonised with the overall strategy and vision for the organisation. Program managers are charged with utilising the resources provided at the strategic level to achieve their specified strategic goals.

**Tactics: Short-term,** easily identifiable objectives, focused on achieving a straightforward tactical goal set by the Operational level of management. Each tactical goal is a bite-sized part of the higher level game plan. This level is primarily concerned with implementation, and the personnel employed here, though not necessarily long-term planners, are technically proficient and capable project managers. This level focuses on achieving specific deliverables within an overall strategy.

## Goals Breakdown Structure

The **goals breakdown structure (GBS)** is a process that translates organizational objectives into project and product requirements and, ultimately, component specifications to create a framework for aligning projects with strategic objectives.

The GBS in project management originates from an advanced concept known as **requirements traceability**<sup>4</sup>. This concept requires the project team members to demonstrate how the products and services they create will support and map to the project's requirements.

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<sup>4</sup> For more on Requirements Traceability see:  
[http://www.mosaicprojects.com.au/WhitePapers/WP1029\\_Requirements\\_Traceability\\_Matrix.pdf](http://www.mosaicprojects.com.au/WhitePapers/WP1029_Requirements_Traceability_Matrix.pdf)