A Project Manager's Mangers

Projects are a very effective way of creating the new products, services or results required by organisations to effect change. The concept of a project is well understood, as are the roles and responsibilities of the project manager.

A range of international standards exist defining project management processes, with the *PMBOK® Guide* being the most widely distributed. Despite the range of standards, there is general agreement and consistency across cultures and languages. But projects are only the building blocks of organisational change and improvement, other management structures[1] determine what projects should be undertaken and how their outputs will be used to create beneficial outcomes and value[2].

The purpose of this White Paper is to look at the three main management processes that support the efficient management of a project[3]; Portfolio management, Program management and the role of Project Directors as the managers of project managers.

Portfolio management[4]

Portfolio management is, or should be, a collective process undertaken by the senior managers within an organisation to select the best mix of projects and programs to achieve the organisations short, medium- and long-term objectives. Every organisation is constrained by the available funding, the available resources and its inherent capabilities; so, for every project selected or continued many others are rejected. Effective strategic planning processes at the executive level should lay out the environment and opportunities within which the organisation operates to facilitate optimum decision making.

This process defines the organisation for the future; the correct mix of projects and programs keeps the organisation functioning in the present, builds on existing strengths for the mid-term and creates new opportunities for the future. Taking a too conservative and risk adverse stance guarantees others will seize the future and the organisation will fade into insignificance or failure. Taking on too many risks can destroy the business in the short term.

These decisions are too important to delegate to a single 'portfolio manager'; they have to be the responsibility of the chief executive and the senior management group. However, making this type of decision needs viable and reliable data, both on current projects and on the evolving environment the organisation operates within.

The role of an effective Portfolio Manager should be to provide these decision makers with recommendations and suggestions based on accurate and meaningful data on the status of current and

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[1] For an outline of all of the organisational processes involved in the **management of project management**, see: https://www.mosaicprojects.com.au/WhitePapers/WP1074_PPP_Taxonomy.pdf

[2] For more on **benefits** see: https://www.mosaicprojects.com.au/WhitePapers/WP1023_Benefits_and_Value.pdf

[3] For more on **governance** see: https://www.mosaicprojects.com.au/WhitePapers/WP1033_Governance.pdf

[4] For more on **Portfolio Management** see: https://www.mosaicprojects.com.au/WhitePapers/WP1017_Portfolios.pdf

proposed projects and programs. In this context, meaningful data refers firstly to the alignment of the projects and programs to the organisation's strategic objectives and secondly the value contribution expected from the project's outputs; on time and/or on budget are largely irrelevant other than to appreciate the impact of any variance on the value currently expected as a consequence of effectively deploying the project's outputs.

Portfolio management requires an effective PMO structure[5] to gather analyse and manage the information flows from current and proposed projects and programs. However, given the executive decision-making role the Portfolio Manager supports, within an ethical governance framework, it is probably inappropriate for the same person to be directly involved in the management of the projects and programs.

From the perspective of a project or program manager, whilst the Portfolio Manager should have little or no input to the day-to-day running of the work, he or she is a key stakeholder and the critical aspect of managing the relationship is understanding the current value proposition of your project or program and making sure this is communicated effectively.

Program management[6]

Programs are created to generate an enhanced business benefit that would not be achieved if the component projects were management separately. Whilst there are several different types of program[7] they all initiate and run multiple projects to obtain the additional benefits that would not be achievable if the projects were managed in isolation. Programs are quite different to large projects. Programs typically create multiple deliverables that achieve a range of benefits desired by the organisation. Whilst not as well defined a project, there is a strong consensus world-wide as to the role of the program manager and the purpose of programs.

If a project is part of a program, the Program Manager is the project managers direct line manager and will have significant involvement in the running of the project. Also, as the project is an integral part of the program, the project manager will be a key player in the program manager's team. This stakeholder relationship is probably the most important for the project manager to maintain as is the corresponding relationships between the program manager and her project managers.

Project Sponsor[8]

The sponsor will normally be a senior manager with a relevant area of responsibility that will be affected by the outcome of the project. Where a project steering committee or 'project control board' exists, the Sponsor chairs this body and the committee fulfils some of the functions of the sponsor. Effective sponsorship is a key element in the successful delivery of projects and programs. This important role is defined in WP1031.

Project Director[9]

The role of the Project Director has been somewhat overshadowed by the emergence of portfolio and program management; this is unfortunate. Project directors are managers of project managers. This role should be focused in two areas, firstly providing oversight and governance to projects that are outside of

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[5]   For more on **PMOs** see: https://www.mosaicprojects.com.au/WhitePapers/WP1034_PMOs.pdf

[6]   For more on **program management** see:
https://www.mosaicprojects.com.au/WhitePapers/WP1076_Program_Management.pdf

[7]   For more on **program types** see: https://www.mosaicprojects.com.au/WhitePapers/WP1022_Program_Typology.pdf

[8]   For more on **project sponsorship** see:
https://www.mosaicprojects.com.au/WhitePapers/WP1031_Project_Sponsorship.pdf

[9]   For more on **Multi-Project Management** see:
https://www.mosaicprojects.com.au/WhitePapers/WP1077_Multi-Project_Management.pdf

programs (this is probably the majority), secondly providing management input to the organisation's project managers to help them develop and grow.

PMI recognise the role as the 'Manager of Project Managers' in composite and strong matrix organisations. AIPM as a 'Certified Practising Project Director' in their competency standards and RegPM credential structure. The role of the Project Director may be subsumed into an appropriate PMO as long as the PMO is focused on driving value and creating excellence, but is probably more closely aligned to supporting and being part of a departmental management structure.

Unfortunately at the moment, there is very little focus on this aspect of developing project management capabilities within an organisation. Unless there is a renewed focus on developing project managers and project management capabilities within an organisation it will rapidly lose any competitive advantage. Buying in 'talent' from elsewhere will become increasingly expensive and is largely counter-productive to the development of an effective corporate culture and enhanced organisational project management maturity. Where Project Directors exist, they are another important stakeholder for the project manager to work with.

Product management

Product planners and managers are responsible for directing and managing the overall product lifecycle and/or the lifecycles of a group of related products (eg, shampoos). The role includes marketing and launching major products or upgrades and for directional guidance on which broad pillars/areas of the product range should developed over the next 2-3 years (triggering projects and programs to do the work). This person also goes to various conferences and gives high-level presentations on core value-propositions of products and often conducts lots of market research with existing and prospective customers. This role may equate to a project sponsor or the project's 'customer', or may be at a significantly higher level in the organisational hierarchy.

Senior management

Many other senior managers may have a role in managing and supporting the project manager including technical and specialist managers (eg, engineering or finance, responsible for quality and conformance with policies) and functional managers (particularly in matrix organisations). A functional manager is a person who has management authority over an organizational unit such as a department within the organisation. Importantly, these managers frequently control resources needed by the project.

Advising upwards

Each of the managers defined above are important stakeholders[10] and the project manager needs to effectively manage the relationships if their project is to be successful and the PM's career enhanced. Lynda Bourne's new book, ***Advising Upwards:*** *A Framework for Understanding and Engaging Senior Management Stakeholders* is focused on the skills needed to build and maintain robust relationships, focused on engaging the support of senior executives, understanding their expectations and managing them through targeted communication[11].

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[10] For more on ***managing stakeholders*** see:
https://www.mosaicprojects.com.au/WhitePapers/WP1007_Stakeholder_Cycle.pdf

[11] For more on ***the book*** see: https://mosaicprojects.com.au/shop-advising-upwards.php

Summary

The three distinct roles defined above are critically important to the development of effective project management practices within an organisation. However, it is important to note each role is distinctly different and should be separated in a mature organisation[12].

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[12] For more on **organisational maturity** see: https://mosaicprojects.com.au/PMKI-ORG-050.php