Agile Programme Management

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Business Agility

- Business agility stems from:
  - People, and their attitudes
  - Being alert to opportunities
  - An organisational ability to embrace change
- Agile organisations have agile leaders
- Systemic ability to embrace and manage change

What is a Programme?

A connected set of projects and activities that are managed as a cohesive unit such that they achieve outcomes and realise benefits of strategic importance to the organisation

Programmes vs. Projects

Project	Programme
Driven by deliverables	Driven by Vision of “End State”
Finite - defined Start and Finish	No pre-defined path
Bounded and scoped deliverables	Changes to the business capability
Delivery of product, service, outcome	Co-ordinated outputs delivery Includes projects not directly delivering benefits
Benefits usually realised after project closure	Benefits realised during the programme and afterwards
Shorter timescale	Longer timescale

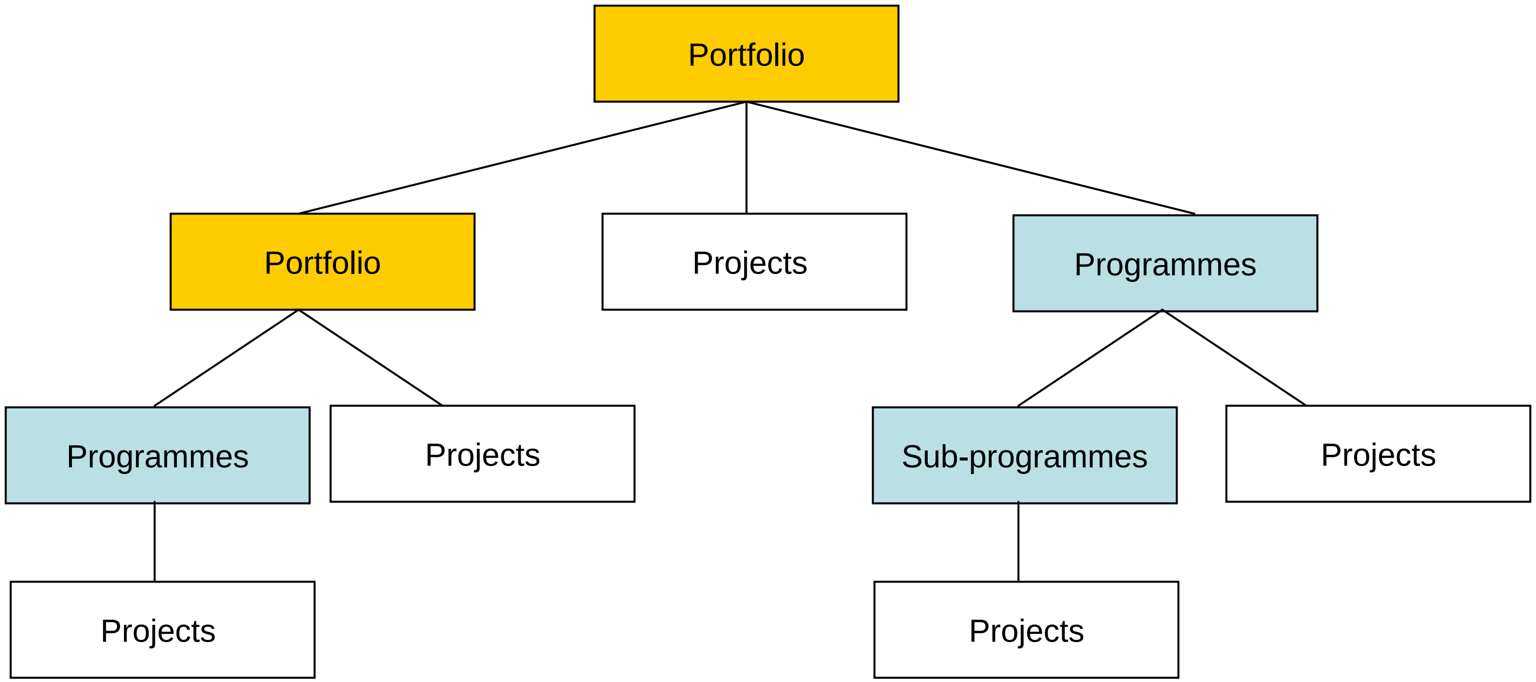
What is a Portfolio?

A set of projects and programmes that need to be managed to achieve maximum value from available resources – may not have any other connection or interdependencies

Programmes vs. Portfolios

Programme	Portfolio
A single set of benefits related to programme vision	Separate benefits statements - only RoI can be aggregated at portfolio level
A single programme plan coordinating all the projects and subordinate programmes	A disjoint set of programme and project plans
All resources and dependencies planned and committed	Resource and dependency conflicts hard to manage
Single programme risk assessment with ongoing monitoring and management	Diverse risk assessments. Portfolio-level risk hard to gauge and monitor

Portfolios and Programmes



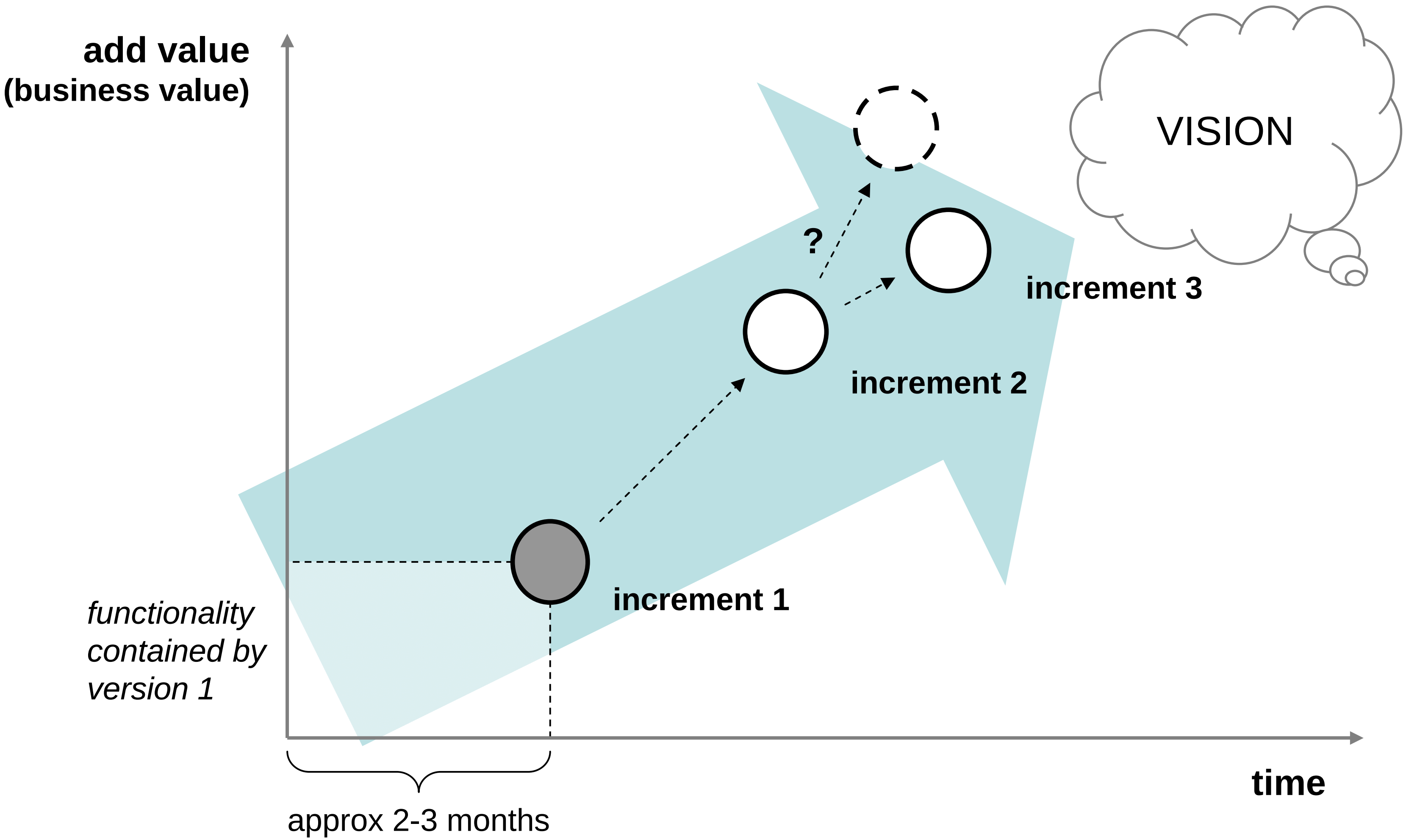
Agility at the portfolio level

- Planning is often annual and independent of the programmes in place
    - Slow to realise change of direction
    - Slow to realise new opportunities
- Fixed budgeting cycles result in feast or famine

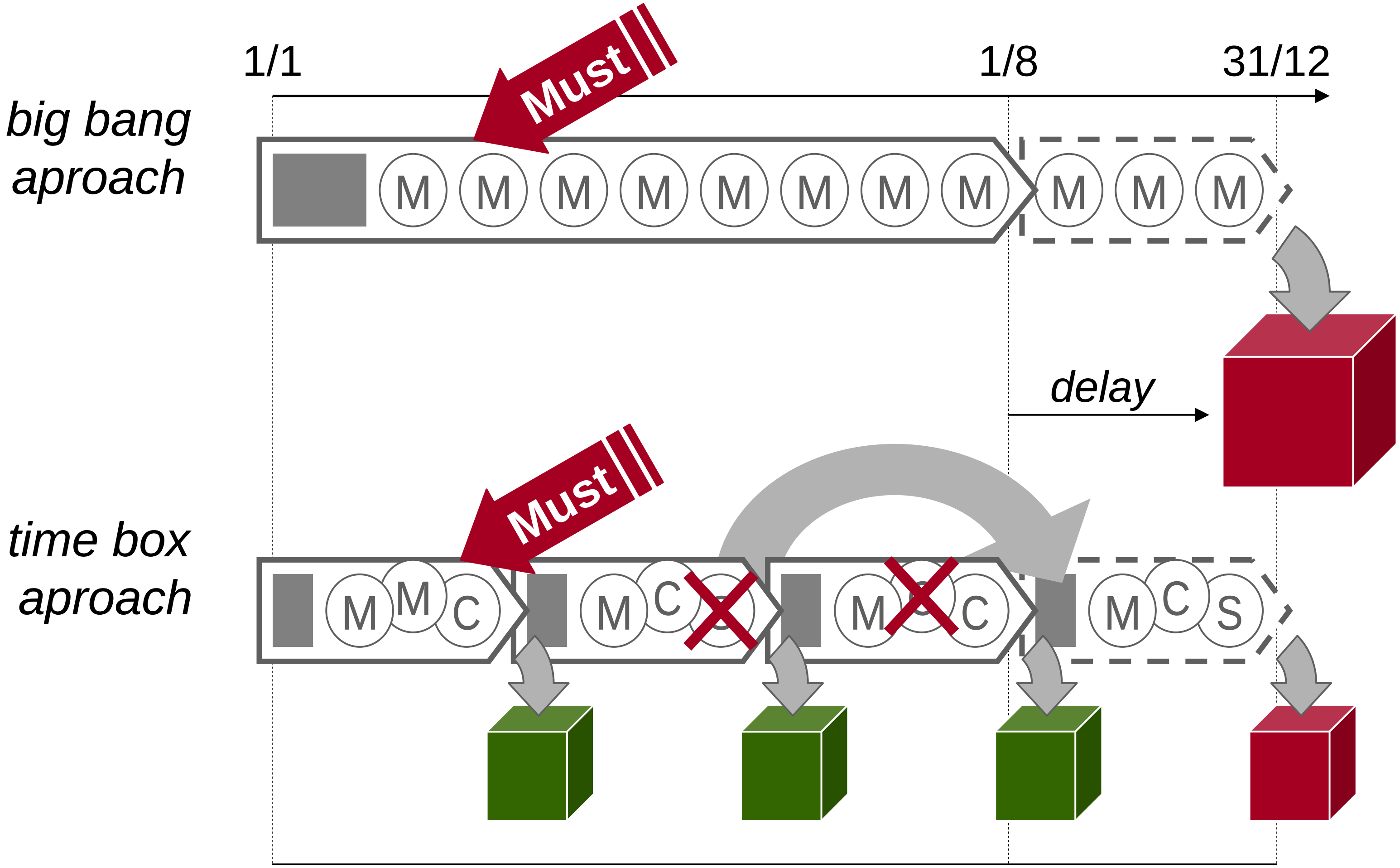
Annual versus agile budgeting

Factor	Annual portfolio review	Agile portfolio review
Basis for funding decisions	The known state of the organisation at the end of the financial year and the prediction for the next year	The known state of the organisation at any point during the financial year
Capacity for change	Limited by the allocated budget and the associated controls	Enabled through continuous monitoring of both the internal and external business environment
Commitment to spend	“Once and for all” decisions made annually, leading to some wastage of funds on unnecessary work at the end of each financial year	Discretionary funding decisions enabled throughout the year
Use of funding	Potential for holding back on using resources early in the financial year, because “they might be needed later”	Funding used to the full when allocated to move the organisation forward
Exceeding budgets	Reported at fixed points, e.g. quarterly – leading to disaster recovery	Reported at the time when it becomes apparent - enabling better control of financial risks
Benefits delivery	May well be aligned to the annual cycle for ease of measurement and overall governance	Aligned to the ability to deliver
Risk assessment	Based on the known state at the start of the financial year	Based on the state of the programme in its incremental delivery

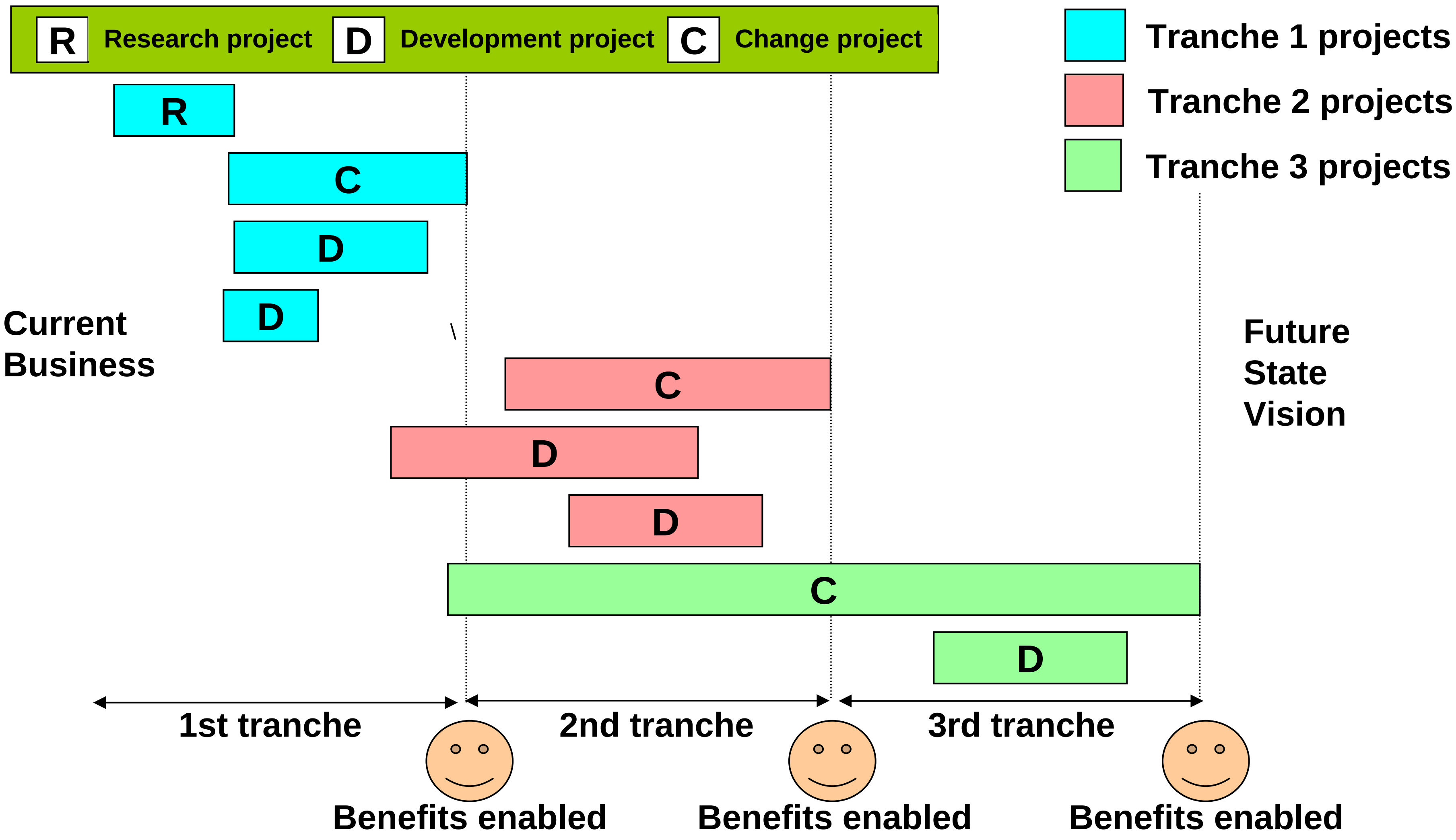
Think big - act small



Time boxing (DSDM)



Programme Tranches



What is Programme Management?

Leadership, facilitation, negotiation, co-ordination, communication, managing interfaces and interdependencies, etc. etc.

Seven Habits of Highly Effective People

(Stephen R. Covey)

- **Be proactive** Reactive people blame other people and circumstances for obstacles or problems. Being proactive means taking responsibility for everything. Initiative and taking action will then follow.
- **Begin with the end in mind** This is about setting long-term goals based on "true north" principles. Clear vision.
- **Put first things first** Focus on results and benchmarks that are to be agreed upon in advance, rather than prescribed as detailed work plans.
- **Think Win/Win** Look for mutually beneficial solutions that satisfy the needs of the parties involved.
- **Seek first to understand, then to be understood** Listen before expounding.
- **Synergise** Apply effective problem solving and collaborative decision-making. Value differences. Build on divergent strengths.
- **Sharpen the saw** Regain what Covey calls "production capability" by engaging in selected recreational activities

Agile Programme Management Maturity Model

Category	Level 1 Ad-hocracy	Level 2 Variability	Level 3 Reliable delivery	Level 4 ROI optimisation	Level 5 Business Agility
Business Alignment	Bottom-up determination of projects favours “more of the same” rather than business benefit or alignment to strategy	Programmes pay lip service to benefits and use them as a means to post-justify already chosen work. Few programmes have measurable benefits	Programmes predicated on a top-down basis primarily against delivery of business. Measurable benefits at the programme level.	Line of business portfolios where programmes broadly support business strategy. ROI of portfolio aligns to an accepted target for the organisation	Organisation is primarily investing in a number of strategic programmes, which are totally aligned with a well-articulated strategy.
Synergy	Overall portfolio consists of a large number of individual projects	Programmes used primarily as a management tool to simplify the portfolio. Many people equate “programme” with “large project”	Each programme has a relationship to a specific business vision. Most projects run in the context of an owning programme. Portfolios are used primarily to manage cost.	Portfolios are additionally used to manage benefits. Some instances of “strategic programmes” – used to group sets of programmes within a business vision	Most work is organised via a number of strategic programmes. Form-wide synergies are exploited wherever possible via cross-functional programmes.

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Culture	Programmes and projects have no common view of the needs of the organisation and do not share information one with another.	Programmes follow a predetermined path decided at the start of the financial year. Programme Managers treat changes of direction as a threat.	Programmes are fully cognisant of their impact on not only the organisation but other programme as well. Programmes are initiated outside the annual planning cycle.	As level 3 plus ROI within the current financial year is used as a prime tool in determining the direction of most programmes.	All programmes are highly responsive to change in the organisation's strategy and environment
People	Technical, business and project management skills take precedence over programme management and governance skills	Programme management is a recognised skill with some appropriate education available.	\All relevant skills needed for successful delivery are recognised and valued (e.g. including Programme Sponsor). Some validation of role/skill compatibility.	All relevant skills that benefit the business are recognised and appropriate roles exist for them (notably change management and portfolio management)	Strategic programme managers have the same standing in the organisation as senior business managers.
Systems	"Not invented here" attitude to tools and methods. No reliable MIS. Reporting, if any, documents history.	Some use of common tools and methods in spite of resentment. Local re-invention of tools and processes. MIS and reporting used to defend against failure.	Practitioners feel ownership of common tools and methods and actively promote their use. MIS at the programme level helps to optimise delivery (e.g. managing resources and dependencies).	Systems and methods are actively adapted to suit the needs of each programme whilst common MIS remains available across the portfolio.	The organisation actively leverages MIS at the portfolio level to optimise its business approach.

Summary

- Agility is systemic
- Portfolio management must be flexible
- Project delivery needs to be guaranteed to be on time, on budget and to the required quality
- Agile programme management is not about the PMO, the Governing Body, etc…. it's about culture