

## **Lesson 3: Program Management Performance Domains**

**Based on PMBOK® Guide – Fifth Edition  
and  
The Standard for Program Management – Third  
Edition**

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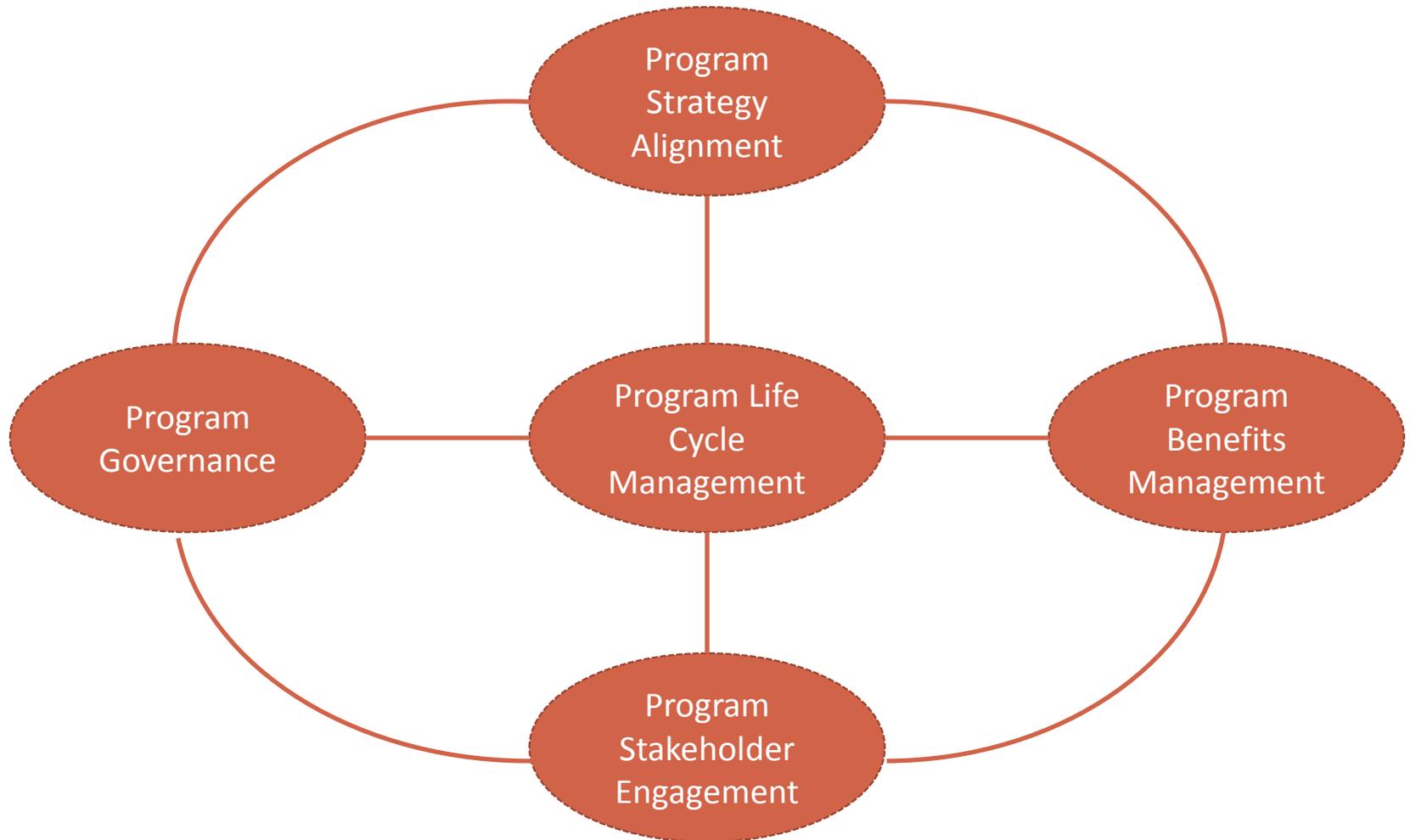
## Agenda

- ✓ Program Management Performance Domain Interactions
- ✓ Program Management Performance Domain Definitions
- ✓ Program and Project Distinctions
- ✓ Program and Portfolio Distinctions

## Program Management Performance Domains

- ✓ Domains: Complementary groupings of related areas of activity, concern, or function that uniquely characterize and differentiate the activities found in one performance domain from others, within the full scope of program management work.
- ✓ There are five domains of Program Management:
  - Program Strategy Alignment;
  - Program Benefits Management;
  - Program Stakeholder Engagement;
  - Program Governance; and
  - Program Life Cycle Management.

## Program Management Domain Interactions



## Program Management Performance Domain Definitions

- ✓ **Program Strategy Alignment:** Identifying opportunities and benefits, to achieve the organization's strategic objectives, through program implementation.
- ✓ **Program Benefits Management:** Defining, creating, maximizing, delivering, and sustaining the benefits provided by the program.
- ✓ **Program Stakeholder Engagement:** Capturing and understanding stakeholder needs, desires, and expectations; analyzing the impact of the program on stakeholders; gaining and maintaining stakeholder support; managing stakeholder communications; and mitigating/channeling stakeholder resistance.
- ✓ **Program Governance:** Establishing processes and procedures for maintaining program management oversight, and decision-making support for applicable policies and practices, throughout the course of the program.
- ✓ **Program Life Cycle Management:** Managing all of the program activities related to program definition, program benefits delivery, and program closure.

## Program Life Cycle Phases (Summary)

### Program Definition

Progressively elaborates the strategic objectives to be addressed by the program, defines the expected program outcomes, and seeks approval for the program.

### Program Benefits Delivery

An iterative phase where program components are planned, integrated, and managed to facilitate the delivery of intended program benefits.

### Program Closure

Executes a controlled and orderly closure of the program.

## Program Activities vs. Component Activities

- ✓ Content and scope of program activities are different from similar activities at component (project or other work) level.
- ✓ They integrate, provide guidance and oversight to component activities, but do not replace them. E.g.,
  - Project level risk management focuses on risks specific to projects.
  - Program level risk management focuses on risks impacting multiple projects, coming up with institutionalized response plans, managing a program wide contingency reserve, etc.
- ✓ Components implement and control their own activities; program manager will manage at a fairly high level of granularity.

## Program and Project Distinctions

### Projects

- ✓ **Duration:**
  - Planned up-front.
  - As long as it takes to deliver the expected output.
- ✓ **Uncertainty:**
  - Less variability.
  - Progressive elaboration removes uncertainty.
- ✓ **Change:**
  - Impact analyzed in terms of scope, cost, time, and quality.
  - Accepted changes may result in changes to baseline plans.

### Programs

- ✓ **Duration:**
  - Known with less certainty.
  - As long as it continues to deliver intended benefits.
- ✓ **Uncertainty:**
  - More variability.
  - Need to embrace uncertainty to focus on benefits.
- ✓ **Change:**
  - Impact analyzed in terms of ability to deliver benefits.
  - Program managers involved in component change management.

## Program and Portfolio Distinctions

### Portfolios

- ✓ Duration:
  - Indefinite, and
  - As long as the portfolio is relevant to strategy.
- ✓ Relatedness:
  - Components may or may not be related, and
  - Grouped merely by their involvement in strategic goals.

### Programs

- ✓ Duration:
  - Known with less certainty, and
  - As long as needed to deliver intended benefits.
- ✓ Relatedness:
  - Components are related in some way, and
  - Grouped by their contribution to program's benefits.

## Summary

- ✓ Five domains of program management are:
  - Program strategy alignment
  - Program benefits management
  - Program stakeholder engagement
  - Program governance
  - Program life cycle management
- ✓ Program life-cycle stages:
  - Program definition
  - Program benefits delivery
  - Program closure
- ✓ Projects are relatively shorter duration and stable; programs tend to be more dynamic, and last as long as they continue to deliver benefit.
- ✓ Program's components are related and focus on integrations; portfolio components may not be related – grouping is based on involvement in organizational strategy.

## Quiz – 1

Which are the five program management domains?

- a) Strategy alignment, benefits management, stakeholder engagement, governance, lifecycle management
- b) Strategy alignment, benefits management, stakeholder management, governance, lifecycle engagement
- c) Strategy alignment, stakeholder engagement, governance, lifecycle management
- d) Strategy alignment, benefits management, stakeholder engagement, lifecycle management

## Quiz – 1

Which are the five program management domains?

- a) Strategy alignment, benefits management, stakeholder engagement, governance, lifecycle management
- b) Strategy alignment, benefits management, stakeholder management, governance, lifecycle engagement
- c) Strategy alignment, stakeholder engagement, governance, lifecycle management
- d) Strategy alignment, benefits management, stakeholder engagement, lifecycle management

**Answer:** a. Strategy alignment, benefits management, stakeholder engagement, governance, lifecycle management.

**Explanation:** There are five program management domains, namely, strategy alignment, benefits management, stakeholder engagement, governance, and lifecycle management.

## Quiz – 2

In order to tap into a growing market for fast food, a beverages company decided to launch a portfolio for offering sandwiches for a period of 3 years, with a goal to achieve a \$400 million top line and 20% margin over this period. What is wrong with this statement?

- a) It sounds more like the addition of a product than a portfolio
- b) It sounds more like a program than a portfolio
- c) It sounds more like a project, since it is time bound
- d) It sounds like an operational decision, not a portfolio decision

## Quiz – 2

In order to tap into a growing market for fast food, a beverages company decided to launch a portfolio for offering sandwiches for a period of 3 years, with a goal to achieve a \$400 million top line and 20% margin over this period. What is wrong with this statement?

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**Answer:** b. It sounds more like a program than a portfolio.

**Explanation:** It is more like a program, because there is a time period and the benefits are well-defined. Portfolios are typically not time bound. It is not a project, since it will also involve operations (considering that there is a revenue target attached).

## Quiz – 3

A program manager just initiated a new component to optimize the utilization of the common test laboratory, which is currently being used by multiple components. Which phase is the program in?

- a) Program definition
- b) Program initiation
- c) Program benefits delivery
- d) Program closure

## Quiz – 3

A program manager just initiated a new component to optimize the utilization of the common test laboratory, which is currently being used by multiple components. Which phase is the program in?

- a) Program definition
- b) Program initiation
- c) Program benefits delivery
- d) Program closure

**Answer:** c. Program benefits delivery.

**Explanation:** As the components are utilizing the test laboratory, they are in execution, and starting to deliver the benefits, which the program will integrate and deliver to the organization.

## Quiz – 4

An oil company is laying a 1,000 km pipeline to reduce cost of transportation of oil, which is currently carried by oil tankers via road. The pipeline will pass through 4 different countries, over diverse terrain and some sections will be under water as well. The work will be executed by the company's staff and 4 contractors, each handling a separate section, and will take about 5 years. This is most likely an example of:

- a) A large project with several sub-projects
- b) A program
- c) A portfolio
- d) A sub-portfolio, part of a strategic change initiative

## Quiz – 4

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- a) A large project with several sub-projects
- b) A program
- c) A portfolio
- d) A sub-portfolio, part of a strategic change initiative

**Answer:** a. A large project with several sub-projects.

**Explanation:** From the description provided, there is no indication that there is any additional control or benefit, being delivered as part of splitting the work among the contractors, so it is still a large project with sub-projects.

## Quiz – 5

Which of the following statement is true?

- a) All five program management performance domains interact with each other throughout the course of the program
- b) All five program management performance domains interact with each other during the definition phase of the program
- c) All five program management performance domains interact with each other during the closure phase of the program
- d) All five program management performance domains interact with each other during the benefits delivery phase of the program

## Quiz – 5

Which of the following statement is true?

- a) All five program management performance domains interact with each other throughout the course of the program
- b) All five program management performance domains interact with each other during the definition phase of the program
- c) All five program management performance domains interact with each other during the closure phase of the program
- d) All five program management performance domains interact with each other during the benefits delivery phase of the program

**Answer:** a. All five program management performance domains interact with each other throughout the course of the program.

**Explanation:** Domain interaction has to happen throughout the program to make program success.

**Thank You**