Lesson 4: Program Strategy Alignment

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

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Agenda

✓ What is Strategy

✓ Strategic vs. Tactical

✓ Organizational Strategy and Program Alignment

✓ Program Roadmap

✓ Techniques for Environmental Assessments

What is Strategy

✓ A long-term plan of action to achieve a goal.

✓ Other definitions:

➢ The science and art of employing the political, economic, psychological, and military forces of a nation or group of nations, to afford the maximum support to adopted policies in peace or war.

➢ The skill of making or carrying out plans to achieve a goal.

✓ Strategy is "long-term".

✓ A program manager has to develop a greater strategic focus.

✓ Executive leadership is responsible for defining the strategy in an organization.

Migrating from Tactical to Strategic

✓ Strategy defines 'WHAT'; Tactics define 'HOW'.

✓ Tactics is employed by the troops; strategy by Generals.

✓ Developing a strategic focus requires:

➢ Focus on the long-term; not just today's problem.

➢ Delegate the day-to-day, mundane after standardizing, fine-tuning.

➢ Work on developing "business acumen" and get closer to the business.

➢ Be ready to be held accountable for broader objectives, not specific deliverables.

✓ The first step in becoming a leader is to start thinking like one.

Organizational Strategy and Program Alignment

✓ Organizational strategy is a result of the strategic planning cycle, where the vision and mission are translated into a strategic plan, within the boundaries of the organizational values.

✓ Strategic plan influenced by market dynamics, customer and partner requests, stakeholders, government regulations, and competitor plans and actions.

✓ Strategic planning and portfolio management processes provide the program with definition of the expected outcomes and results.

Organizational Strategy and Program Alignment (Contd.)

Pyramid levels from top to bottom:
- Vision
- Mission
- Strategy
- Portfolio and strategic planning
- Management of operations (Produce value)
- Management of projects (Increase value)

Elements of Strategic Alignment

Program business case:
- ✓ Establishes authority, intent, and philosophy of the business need.
- ✓ Helps define the proposed direction that will be taken in the program to address the need.
- ✓ Developed by program manager in collaboration with sponsors and stakeholders.
- ✓ Business case along with program mandate are key inputs to charter and authorize programs.
- ✓ There must be a periodic review during the life of the program: is the business case still valid and still aligned with strategy?

Program management plan:
- ✓ Contains organization's vision, mission, goals, and objectives.
- ✓ Answers the question – HOW will we achieve these?
- ✓ Enables the measurement of program's achievement of strategic objectives.

Key Terms

Program vision:
- ✓ Provides long-term direction and future state of the program.
- ✓ Vision statement describes the desired end state.

Program mission:
- ✓ Describes the purpose and reason for existence of the program.
- ✓ Mission statement describes the philosophy, values, and environment under which program operates.
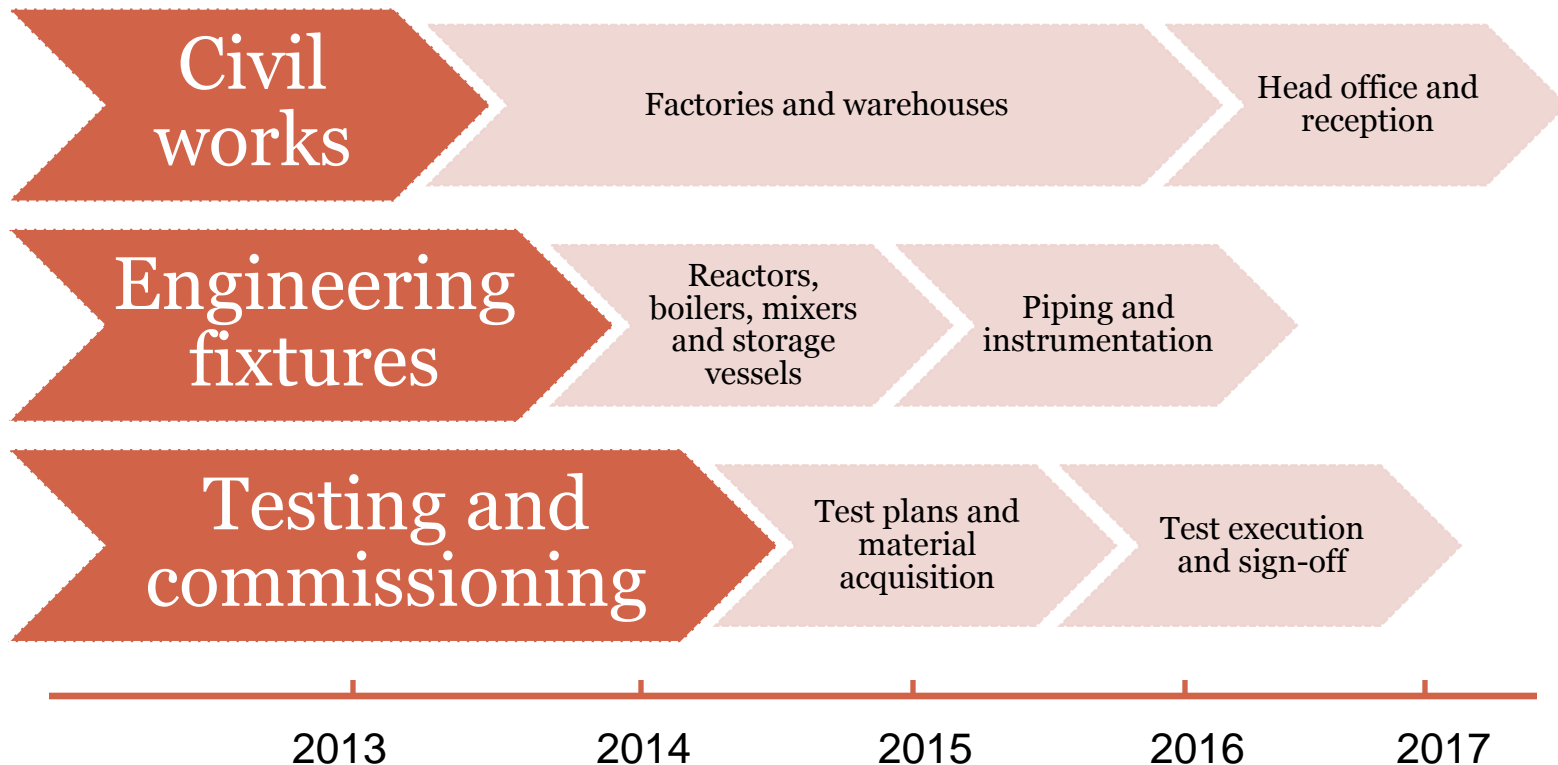
Program goals and objectives:
- ✓ Goals are clearly defined outcomes(results, outputs, or deliverables), and benefits (tangible or intangible) that program is expected to deliver.
- ✓ Individual program components can be planned on this basis.

Example

Why we exist	Where we are going / What future looks like	What we want to achieve	How we will achieve our goals	How we will measure success
MISSION	**VISION**	**STRATEGIC GOALS**	**INITIATIVES**	**METRICS**

MISSION

XYZ Inc. is a leading provider of specialized health care services in the United States of America.

We believe in providing excellent experience to our patients and care givers.

We build teams of professionals who are the most qualified and passionate about health care and believe in providing them with rewarding careers and the best infrastructure so that they can serve our clients.

VISION

To be the top-rated provider of specialized health care services in the United States of America.

STRATEGIC GOALS

Our **goals** are:

1. Establish a nation-wide presence by setting up one facility in each State
2. Provide a unified experience for our clients irrespective of which facility they use
3. Achieve a total customer base of 10 million by FY'2016
4. Realize annual revenues of $10 billion by FY'2016

INITIATIVES

1. **Standardize end-to-end service infrastructure**
   A. Supplier training
   B. Equipment
   C. Care giver education
2. **Establish franchise model**
   A. Evaluation criteria
   B. Standard contracts
   C. Facility re-design
3. **Advertising campaign**
   A. Print, Television, Social Media

METRICS

1. Number and size of Facilities
2. Patients treated per year
3. Revenue per year
4. Customer Satisfaction scores

Program Roadmap

✓ A chronological representation in graphical form of a program's intended direction.
✓ Establishes linkage between business strategy and the planned work.

Civil works — Factories and warehouses — Head office and reception

Engineering fixtures — Reactors, boilers, mixers and storage vessels — Piping and instrumentation

Testing and commissioning — Test plans and material acquisition — Test execution and sign-off

| 2013 | 2014 | 2015 | 2016 | 2017 |

Environmental Assessments

Enterprise Environmental and External Factors:
- ✓ Business environment
- ✓ Market
- ✓ Funding
- ✓ Resources
- ✓ Industry
- ✓ Health, safety, and environment
- ✓ Economy
- ✓ Culture
- ✓ Regulatory
- ✓ Growth
- ✓ Technology
- ✓ Risk

Techniques for Environmental Analysis

Comparative Advantage Analysis:
- ✓ Competing efforts within or outside the organization
- ✓ 'What if' analysis

Feasibility Studies:
- ✓ Financial, sourcing, complexity, and constraints
- ✓ Approve or reject proposals

SWOT Analysis:
- ✓ Strength, weakness, opportunity, and threat help in developing charter and plan

Assumption Analysis:
- ✓ Identify, document, and validate for the correctness

Historical Information:
- ✓ Lessons learned, success, failures, best practices
- ✓ Artifacts, metrics, risks, estimation data

Summary

✓ Strategy: A long-term plan of action. It is expressed through:
  ➢ Program business case: Benefits desired/planned
  ➢ Program management plan: How the benefits are achieved
  ➢ Program vision: Desired end state
  ➢ Program mission: Reason for existence
  ➢ Program goals and objectives: Specific success criteria
✓ Program roadmap: Ties the program's activities to strategic objectives
✓ Techniques for environmental assessments:
  ➢ Comparative advantage analysis
  ➢ Feasibility studies
  ➢ SWOT analysis
  ➢ Assumptions analysis
  ➢ Historical information

Quiz – 1

A program in a travel services organization serves the customers and clients from the aviation industry. The latest strategic review for the organization has approved a greater focus to the hotel and luxury cruises. What should the program manager do?

a) Wait for further directions from the executive leadership.

b) Validate the current roadmap and investments with the program board at the next opportunity.

c) Consult with the project managers about how the program can serve the hotel and luxury cruise industry.

d) Cut investment in the program's components in anticipation of a cut in budgets.

Quiz – 1

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c) Consult with the project managers about how the program can serve the hotel and luxury cruise industry.
d) Cut investment in the program's components in anticipation of a cut in budgets.

Answer: b. Validate the current roadmap and investments with the Program board at the next opportunity.
Explanation: The theme of program strategic alignment is to ensure that the program is working in an area that is viewed by the organization as containing long-term benefit. Therefore the program manager must validate the alignment at the earliest possible opportunity.

Quiz – 2

A program manager wants to introduce a strong work ethic in the program team, and have a philosophy of "work hard, party harder". Where would this approach and philosophy most likely reflect?

a) Organizational culture and policies

b) Program charter

c) Program roadmap

d) Program goals and objectives

Quiz – 2

A program manager wants to introduce a strong work ethic in the program team, and have a philosophy of "work hard, party harder". Where would this approach and philosophy most likely reflect?
a) Organizational culture and policies
b) Program charter
c) Program roadmap
d) Program goals and objectives

Answer: a. Organizational culture and policies.
Explanation: Culture refers to shared values and beliefs. The program manager needs to work this philosophy into the culture of the program's organization.

Quiz – 3

Which of the following statements is true regarding program roadmap?

a) Provides key milestones, key end point objectives, challenges, risks, decision. points, prioritized work, gaps and high level snapshot of supporting infrastructure and component plans.

b) Describes the purpose of the program and reason for existence of the program

c) Defines the metrics against which success of program measured.

d) Establishes authority, intent and philosophy of the business need.

Quiz – 3

Which of the following statements is true regarding program roadmap?
a) Provides key milestones, key end point objectives, challenges, risks, decision. points, prioritized work, gaps and high level snapshot of supporting infrastructure and component plans.
b) Describes the purpose of the program and reason for existence of the program
c) Defines the metrics against which success of program measured.
d) Establishes authority, intent and philosophy of the business need.

Answer: a. Provides key milestones, key end point objectives, challenges, risks, decision. points, prioritized work, gaps and high level snapshot of supporting.
Explanation: The option b is about program mission, c is about program plan, and d is about program business case. The option a correctly reflects the description of a roadmap.

Thank You