

## Program and Portfolio Management skills – how to enhance them?

What next after project management??

We have come across this query from many senior project managers – who wish to scale up to handle programs and portfolios. Increasingly, many of them are getting entrusted with the responsibility of managing large scale programs. And Line of Business (LOB) heads are becoming responsible to design the right change portfolio and implement them to enhance the organizational business value.

Program and Portfolio management are next 'in line' skills to be attained by senior project managers! And these capabilities are required across industry domains and do not become 'obsolete' like technical skills. At best, they become more robust with application of concepts including Agile/ Leadership coaching/ Change management and so forth!

Keeping this in view, PMI and AXELOS have introduced program/ portfolio/ change management standards and 'bodies of knowledge', which are increasingly being used by senior professionals. And such standards are augmented by additional guidances on governance, PM maturity enhancement and enterprise risk management. In this article, we briefly highlight key aspects on leading global standards for program and portfolio management. We also give an overview of the corresponding credentials, which also facilitate advancement of professionalism in program and portfolio management.

### a) Program management

PMI have been releasing the Standards of Program management (SPgM) over the years. The current version is ver 3- and the next version (ver 4) is expected to be released by 2017 year end.

The standard focuses on performance domains- with integration of program management lifecycle with benefits management lifecycle and governance lifecycle. We could also add change management lifecycle, which is essential to ensure that programs realize the envisaged benefits. It has been proven that programs and projects which have a dedicated change management tract have a higher degree of success. Thus change management is being increasingly perceived as a critical and integral enabler in large scale projects / programs (and in portfolio management as well).

Program Management Professional (PgMP®) is the PMI credential for program management. PgMP has evolved over years and is getting increasingly popular (especially after doing away of the Multi-Rater Assessment and reduction in credential fees, couple of years back).

One key differentiation between program and large project is that programs also involve significant interfacing with functional departments to facilitate realization of outcomes and benefits. Thus the role of the program manager also cuts across operations – relatively as compared to project management, which focuses more on deliverables management. This is a key reason why many program managers have initial difficulties in relating to the concepts of benefits and value management. We have noted this dichotomy comparatively more in product driven companies, rather than in service oriented companies.

Managing Successful Programmes (MSP) is a robust guidance from AXELOS – highlighting key aspects including vision, benefits planning and realization, program organization structure, blueprint development, business case and interfacing of program with project management/transition management. The corresponding credential from AXELOS is MSP certification, which is getting increasingly popular in the context of enterprise-wide transformations.

#### **b) Portfolio Management**

Portfolio management functions are more applicable to senior-most management, who run their divisions and are responsible for growth – by designing of appropriate portfolio (including programs and projects) and overseeing them to ensure successful delivery. Portfolios are closest to organizational strategy and a portfolio manager needs to be quite conversant with organizational vision, mission and strategic objectives to design the right portfolio and implement it.

PMI's current version for portfolio management is Standard for Portfolio management ver 3 and the next update is expected to be rolled out in 2018. Portfolio management also gets into details on how to address the value gap through design of right projects and programs, resource and financial optimization and risk management.

The corresponding credential from PMI is the Portfolio Management Professional (PfMP), which is gradually becoming popular.

AXELOS have got the guidance for Management of Portfolios (MoP), which offers solid guidelines on how to design and implement the portfolio. Driven by principles, this guidance gets deeply into aspects like energized change culture, senior management commitment, governance alignment, strategy alignment and how to ensure the support from the portfolio office. The corresponding MoP credential is a robust certification – focusing on how to design and implement a complex portfolio.

The portfolio delivery looks at the interfacing with diverse aspects like benefits management, financial management, risk management, governance and management control and resource management/ stakeholder engagement. Cross organizational collaboration to achieve shared goals is the underpinning theme in this standard. Application of techniques like Balanced Scorecard and quantitative techniques in prioritization and balancing are few aspects which get covered in great depth during portfolio design and implementation.

We from GRT Consulting focus on program and portfolio management consulting and training (including certification related trainings). Pl. write to [info@grt-consulting.com](mailto:info@grt-consulting.com) for more details on how we can assist you in better project/program and portfolio management, PM maturity assessment/ enhancement and in Change management/ risk management.