Attaining Success by Concentrating on Programmatic Project Characterization

By Carmelo Melendez,
Eng.D., P.E., PMP
OECM

Upon reading the latest edition of the Government Accountability Office's High Risk List, undoubtedly the Department of Energy (DOE) should consider some improvements to consistently deliver successful capital asset projects, enhance our credibility and change the perception of our capabilities. We have a clearly-defined program management approach, (DOE Order 413.3A with accompanying Guides), and strive to apply this approach to all capital asset projects. However, we have not embraced the concept of programmatic project characterization for capital asset plans; having a program with multiple projects fulfilling a common "mission need statement. Perhaps a Federal Project Director (FPD) should ask, "Is my project a single-bounded endeavor or a program-in-disguise? How would I know?"

There is a critical and dynamic interrelationship between a "program" and a "project" for capital assets. DOE Order 413.3A is silent on this relationship and presents the ambivalence of "tailoring" as an assurance for nimbleness to Program Support Offices. Such calmness doesn't impair critical thinking and autonomy, but generates overconfidence in the ability to effectively manage overreaching endeavors when a bounded characterization is perhaps more commensurate with our current capabilities to deliver within fiscal constraints. Let's consider the differences between a project and a program.

A project is a bounded endeavor designed to deliver a unique output or deliverable within a definite duration. It focuses on attaining/completing the output/deliverable within a predetermined cost, schedule and quality baseline. A program is a group of related projects managed in a coordinated way to obtain benefits and control not available from managing them individually. Capital asset programs may include elements of related work outside the scope of discrete projects as in the case of a common factor such as contiguous proximity.

In their lifecycles, projects produce deliverables, whereas programs deliver benefits and capabilities to fulfill a mission need; projects deliver outputs, programs create outcomes. Our paradigm shift for delivering projects should therefore see program management as the process of managing multiple interdependent projects leading toward an improvement in an organization's performance. It should emphasize the coordination and prioritization of resources across projects, managing links between the projects and the overall costs and risks of the program.

Such risks are managed at both the project and program level, but the risk type and magnitude are significantly different. Program risks tend to be financial, political or regulatory risks that create a ripple effect throughout the program. Project risks tend to concern technology choices, staffing and project stakeholder expectations. A project manager or FPD should not be expected to manage program risks and may not even be experienced nor trained to do so. However a program manager, perhaps a senior FPD, should be responsible for predicting programmatic risks and putting mitigation strategies in place.

In our DOE practice, prior to requesting Critical Decision (CD)-1, a Program Support Office should clearly identify unique and discrete projects necessary to fulfill an approved CD-0 "Mission Need." One "programmatic" important decision at CD-1 could result in multiple project CD-2s/3s/4s, each of which would be tethered to the original programmatic CD-1 decision and programmatic cost estimate range. Hence, one Senior FPD could be appointed at CD-1 with subordinate FPDs for each CD-2. Appropriately chosen and resourced projects, effectively delivered in the framework of programmatic control and oversight, create the highest probability for success in delivering large and complex capital asset programs.

Defining the requirements is where it all begins. Successful project execution is about properly defining requirements and then delivering each project at the original, approved CD-2 performance baseline. Reducing the scope of the requirements provides greater visibility on the cost drivers, reduces the timeline and mitigates risks for project execution. Establishing a program with multiple, phased and smaller projects provides greater clarity and focus for successful project execution. Consistent, successful project execution fosters credibility with stakeholders and garners future funding support.

Consider reviewing your projects in this framework. Ask yourself, "Is my project a single-bounded endeavor or a program-indisguise?" More importantly, "Would my team be able to lower the execution risks and have a higher probability of success if we treated a program-in-disguise as separate projects?" We are working on updating DOE Order 413.3A and value your input, please send us your opinions or comments to: carmelo.melendez@hq.doe.gov.