

Policy on the Management of Projects

A Framework to Success
Catherine Hoople PMP, CMC

*Unleashing the Power of
Project Management*



*PMI OVOC 10th Annual
Project Management Symposium
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3 Key Learning Points

1. Treasury Board Policies

- Policy on Investment Planning
- Policy on the Management of Projects

2. Key Elements of High Performing Organizations

3. Horizontal Project Management

Your Presenter

- Catherine Hoople PMP, CMC

- Interis Consulting Inc. 



- Project Management Consultant for over 25 years
 - Focused on Public Sector for the past 12 years
 - DND, DFAIT, CRA, AAFC, OSFI
 - Project Management Professional designation since 2001
 - Product Manager
 - Identifying Key Trends in Public Sector Project Management

Agenda

- New Treasury Board Policies;
 - Policy on Investment Planning
 - Policy on the Management of Projects
- Objectives of New Treasury Board Policies
- Drivers
- Key Elements of High Performing Organizations
- Project Management Framework
- Lessons Learned
- Summary

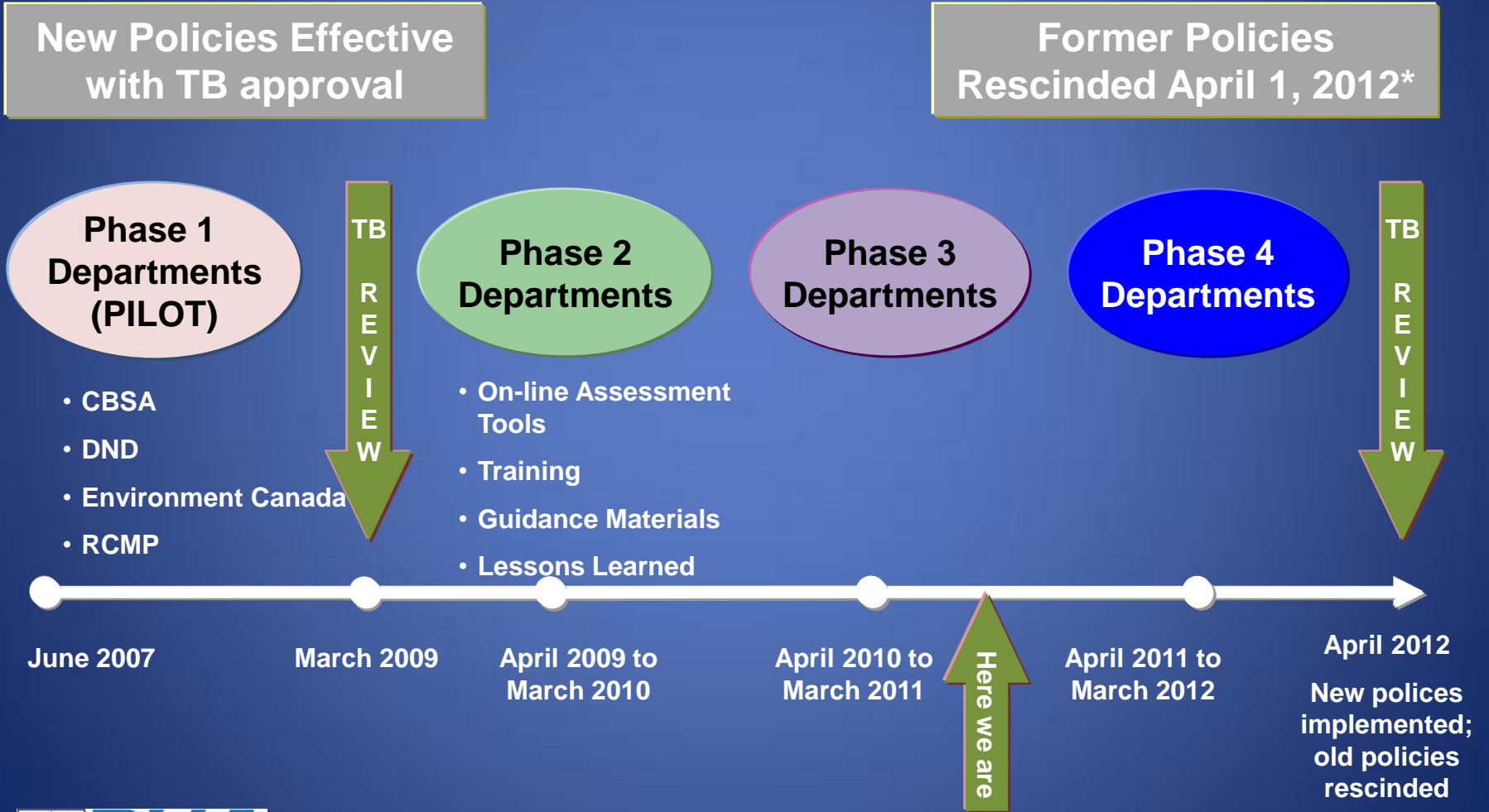
Background

- Treasury Board is implementing new policies, *Policy on Investment Planning* and *Policy on the Management of Projects*, as well as strengthening project management practices for the Government of Canada. Activities include:
 - Organizational capacity and project risk assessment tools
 - Stronger oversight and reporting including Independent Reviews
 - Project Gates/Phase Approvals
 - New guidance on Business Case development
 - Management Accountability Framework (MAF)

Phased Implementation

Source: TB Policy Presentation to Phase 2 Departments, March 2009

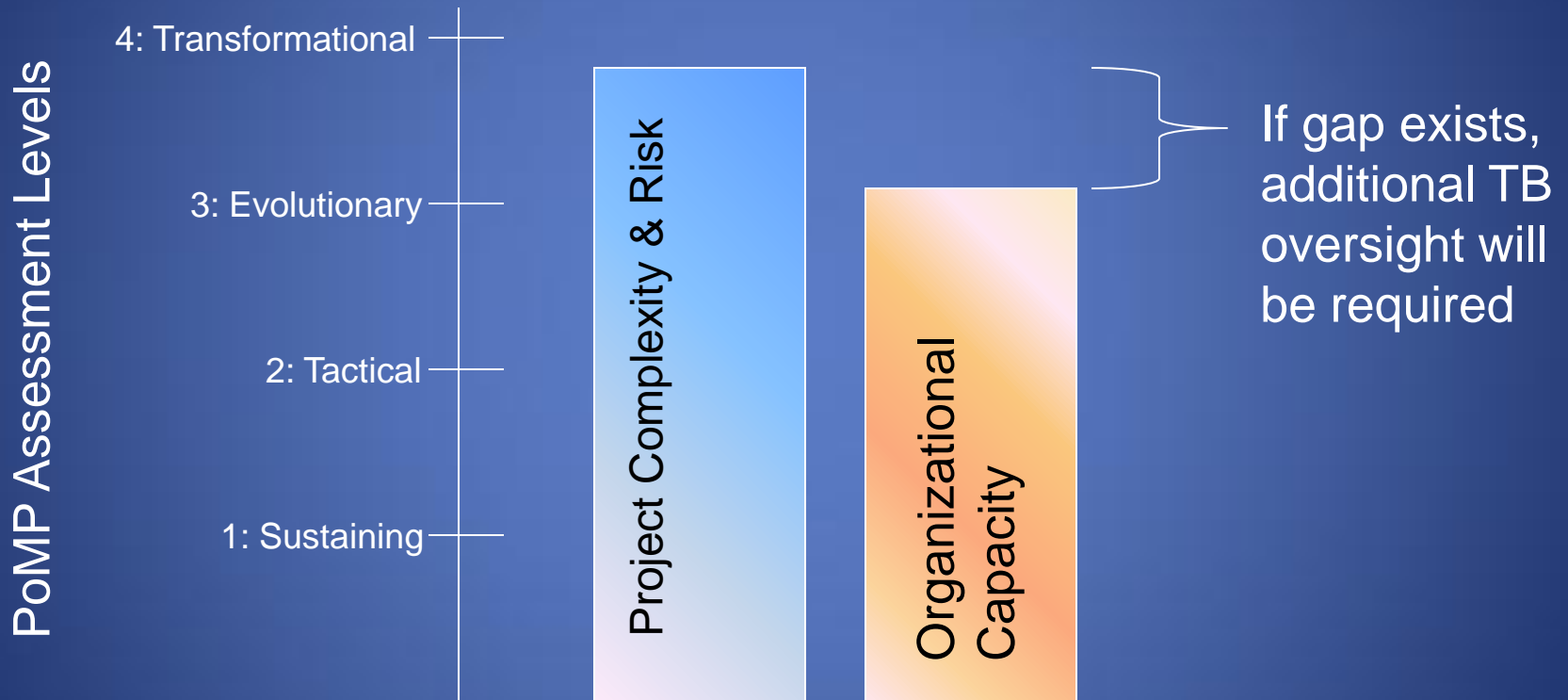
* Subject to TB approval



Objectives of the New Treasury Board Policies

- *Policy on Investment Planning* is intended to:
 - Align with outcomes as set out in Departments *Policy on Management, Resources and Results Structures* (MRRS)
 - Support departmental, portfolio, horizontal and government-wide priorities
 - Consider departmental and project-related risks
 - Support sustainable development and broader social and economic objectives
- *Policy on the Management of Projects* is intended to promote appropriate processes and controls to:
 - Effectively manage projects
 - Deliver outputs and outcomes
 - Limit the risks to stakeholders
 - Promote clearer accountability for managing projects
 - Focus on governance, management controls and improving capacity
 - Emphasize department-wide management
 - Establish risk-based project approval authorities and oversight

How Does PoMP Work?



Drivers

Requirements

Opportunities

Policies on Investment Planning & Management of Projects

Maintain the department's assessed Level - delegated authority to manage projects

- Integrated multi-project planning & control
- Consistent department-wide reporting based on common results-based performance indicators
- Projects managed as investment programs
- Project performance analysis informs process improvement

Management Accountability Framework (MAF)

Raise the department's project management rating

Acceptable

Strong

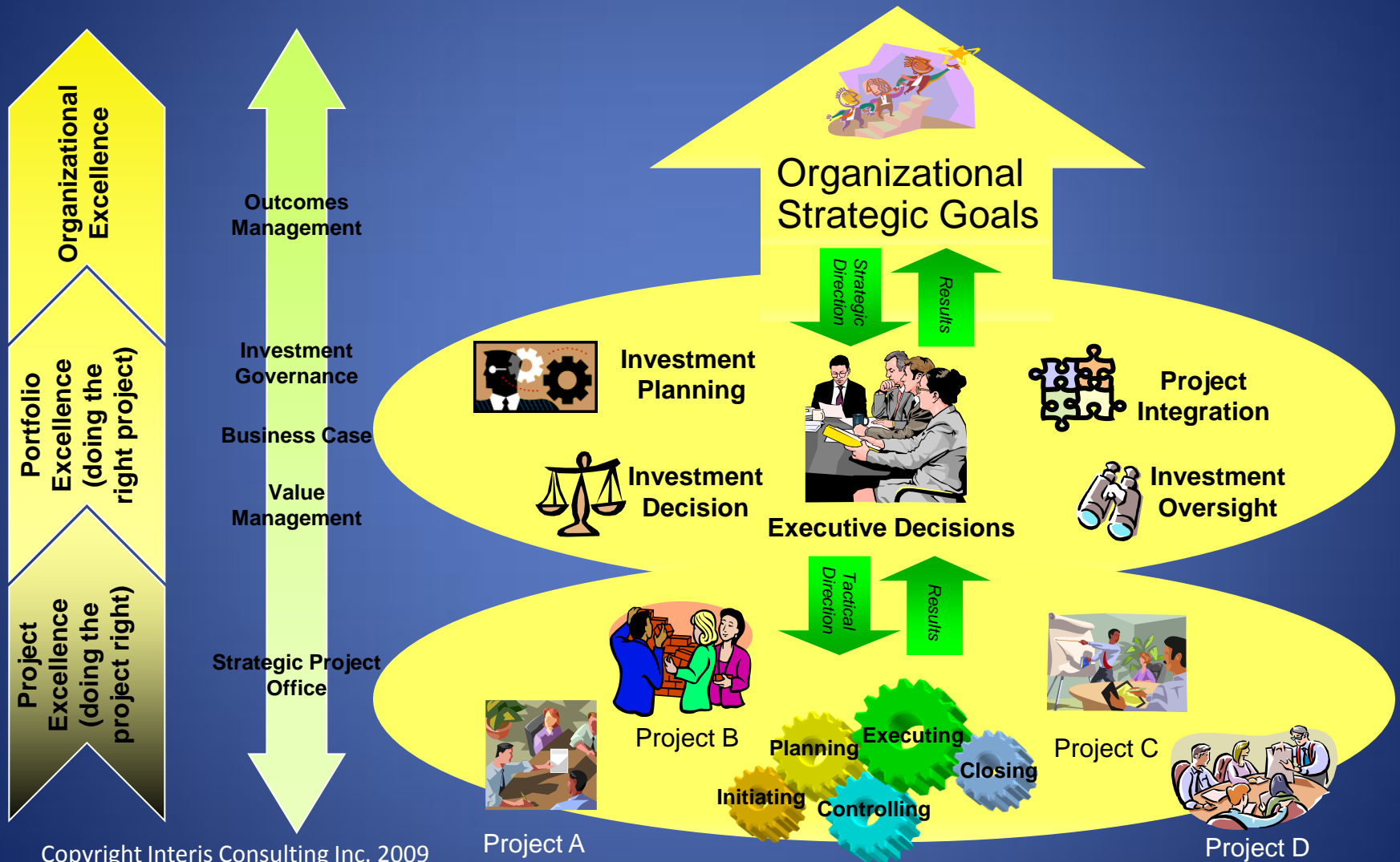
- Department-wide project governance, oversight & performance management
- Resource planning, incl. staffing plans
- Effective costing models
- Common tools and repeatable processes
- Review mechanisms (e.g. Third party reviews)

Departmental Business Needs

Strengthen the department's capacity for efficient and effective project delivery

- Meet outcomes – schedule and budget
- Increased Project Management capability, support and mobility
- Lessons learned used to improve delivery of projects

Key Elements of Organizational Excellence



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Strategic Clarity

Outcomes Management

- Outcomes don't just happen – they have to be proactively planned and managed
- Outcome Management is a strategy focused on:
 - how outcomes are created using cause-and-effect relationship to Program Activity Architecture (PAA) activities
 - how they will be measured to demonstrate success in a Performance Measurement Framework
- Outcome Management is the government's sanctioned approach to link Management Accountability Framework level objectives to investment decisions.
- Outcome Management Guide and Tools from TBS
 - <http://www.tbs-sct.gc.ca/emf-cag/outcome-resultat/outcome-resultat-eng.asp>

Resource Management Aligned to Strategy

Investment Planning

- Investment Planning seeks to maximize the value of a strategic investment portfolio and balance it with risk by:

- Establishing a common definition of value for the organization to compare investments
- Objectively selecting the highest value initiatives
- Ensuring alignment to targeted business results
- Identifying and minimizing risk to the intended outcomes
- Minimizing governance “overhead”

Investment decision and Business Case

- The business case is the key deliverable to formalize and justify the investment decision

- Link to Treasury Board’s new Business Case Guide
- <http://www.tbs-sct.gc.ca/emf-cag/business-rentabilisation/bcg-gar/bcg-gar00-eng.asp>

Project integration

- Project integration ensures that interdependencies between projects are continually monitored to help proactively manage resources and balance the portfolio as needed

- This is the key link to the 5-year Investment Plan

Continuous Monitoring

Investment
Oversight
Project

Monitoring and
Control

- Investment oversight focuses on:
 - Continually monitoring the portfolio against the original performance targets expected from the project
 - Helping management take informed actions to ensure that the project portfolio continually meets strategic objectives and goals
- In addition to project level performance metrics such as schedule progress, budget reports and earned value, project level monitoring must also include measurement of strategic objective results such as achieved value graph results and balanced scorecard / outcome metrics

Flawless Execution

Strategic Project Office

- Establish and operate a decision-support framework that optimizes the allocation of resources across initiatives to achieve organizational goals
- Define clear and effective governance, roles and responsibilities, document processes and tools across the project portfolio
- Provides management with accurate information and regular communication, enabling them to make well-informed decisions more quickly
- Remains involved until the benefits are ready to be harvested and the strategic outcomes

• Kaplan and Norton's Strategy Management Office, 2006

Performance-oriented culture

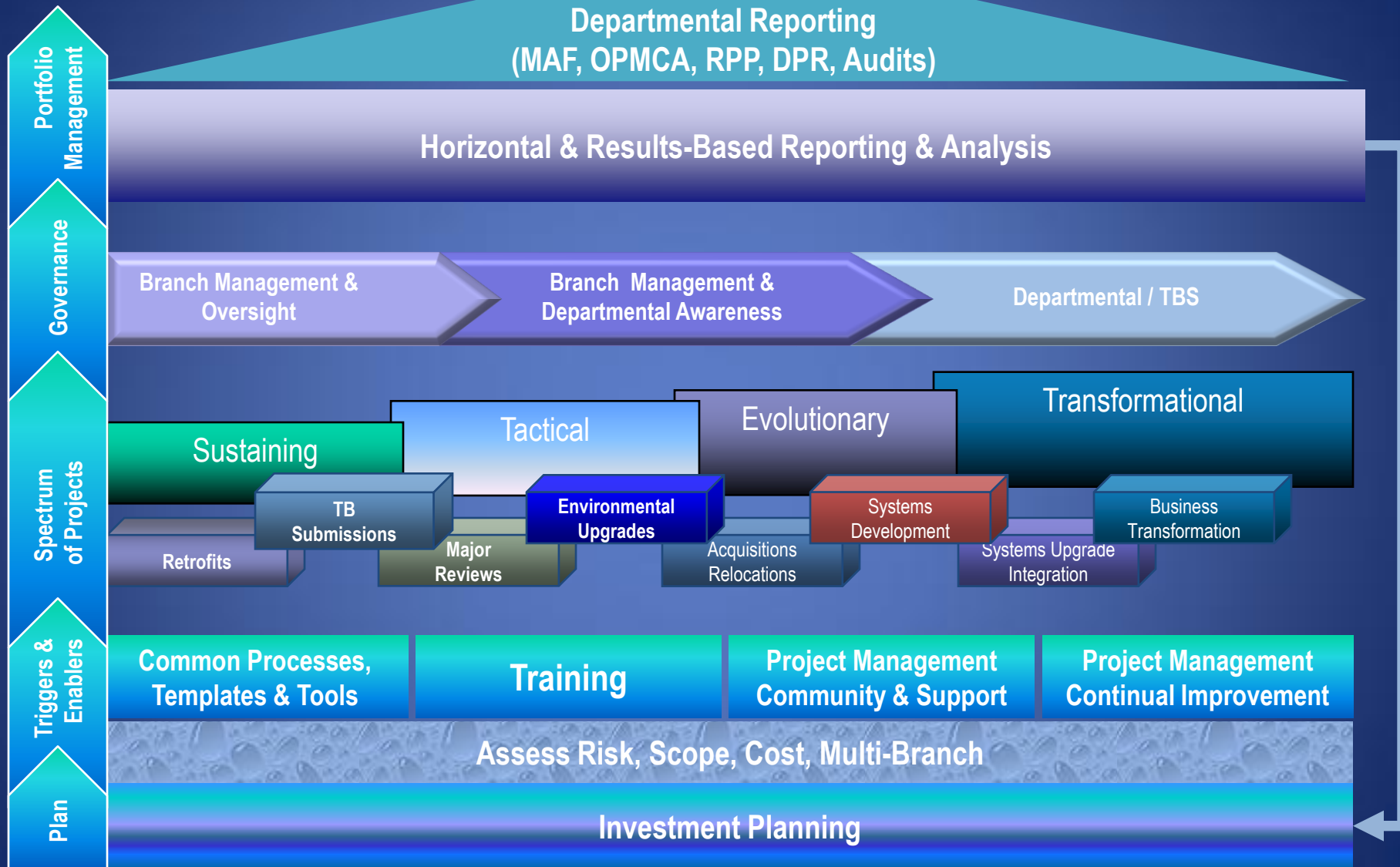
Characteristics of a performance- oriented culture

- Projects deliver not only on-time and on-budget, and deliver promised value and benefits
- Value-focused from planning through to results harvesting
- Decisions are made based upon value, not cost
- Everyone knows what is “value” in the organization, and is reflected in staff’s performance accords
- Key characteristic identified by the Telfer School of Management in a recent paper entitled “High Performance Organizations in the Public Sector”

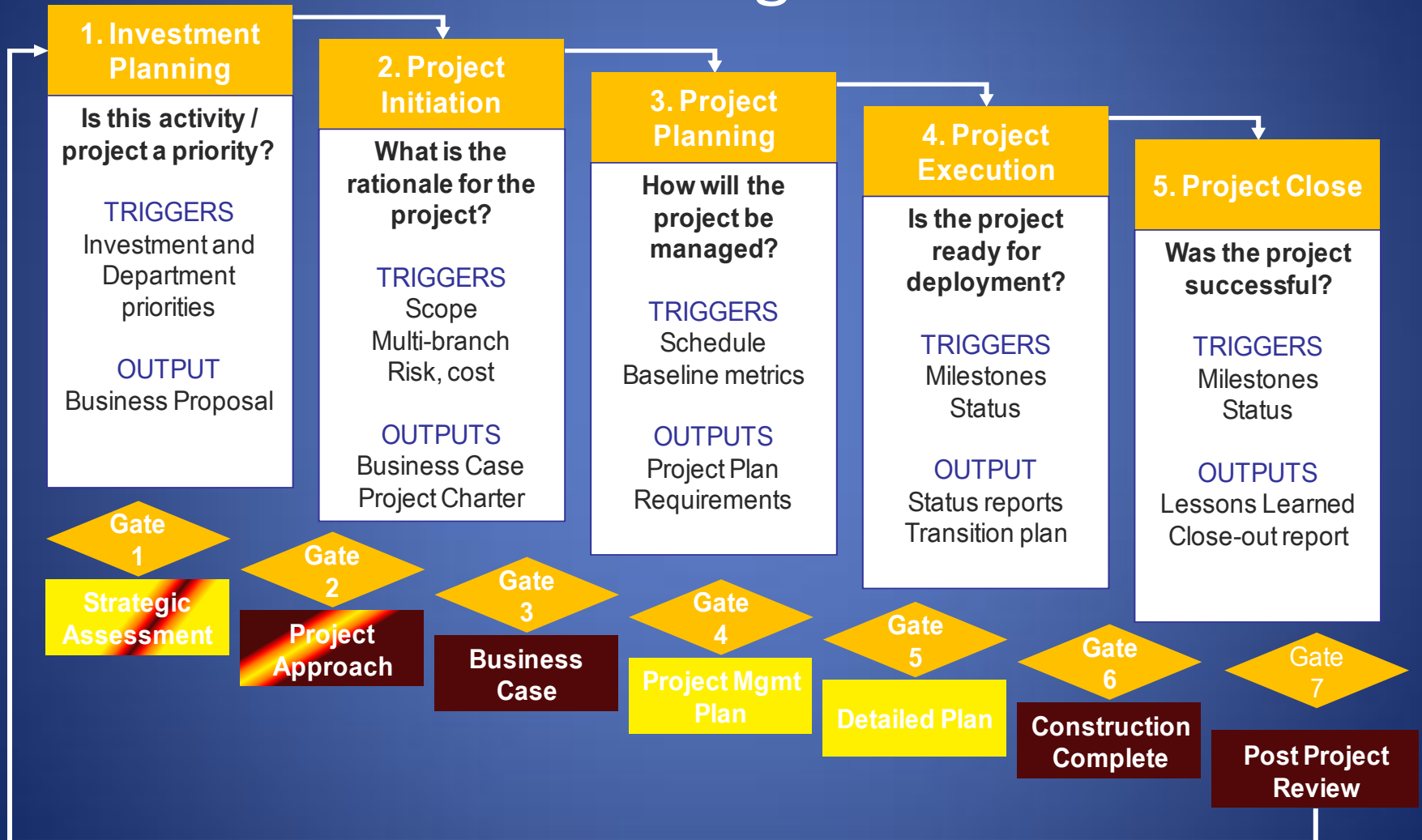
• <http://www.optimumonline.ca/article.phtml?id=365>

(Registration Required)

Project Management Framework



Typical Project Lifecycle aligned to Treasury Board Gating Process



Lesson Learned	Detail
Executive Champion and support required	<ul style="list-style-type: none"> •Clear mandate communicated from the Executive Champion throughout the organization
Tie Project Management to Portfolio and Governance processes	<ul style="list-style-type: none"> •Benefits come from the growth of both – doing the right projects in the right way increases organizational success
Establish an Organizational Portfolio and Project Management Centre of Excellence	<ul style="list-style-type: none"> •Full support system for Clients and Project Managers <ul style="list-style-type: none"> •Tools and processes not enough •People support is critical •Build a Project Management Culture •Find advocates throughout the organization
Establish the Organizational Portfolio and Project Management COE outside functional entities (units/branches)	<ul style="list-style-type: none"> •If not, difficult to move to a holistic approach •Other business units may view it as an agenda for the hosting unit
Integrate with other processes and approval committees (especially Investment Planning & Outcome Management)	<ul style="list-style-type: none"> •Too many processes will deter use of any of them •Ensure same definitions exists across the organization
Ongoing Communication is Key	<ul style="list-style-type: none"> •Engage at all levels of the organization •People need to understand benefits to them, for them – not imposed on them

Summary

1. Treasury Board Policies on Investment Planning and the Management of Projects Objectives

- Target Compliance March 2012
- Supports departmental, portfolio, horizontal and government-wide priorities
- Promotes clearer accountability for managing projects
- Emphasizes department-wide management

2. Key Elements of High Performing Organizations

- Strategic Clarity – Clear Outcomes Identified
- Resource Management Aligned to Strategy
- Continuous Monitoring – Performance metrics aligned to objectives
- Flawless Execution - Decision-support framework with clear effective governance
- Performance-oriented culture – decisions based on value, not cost

3. Horizontal Project Management

- Clear Alignment between Investment Planning and Project/Portfolio Management
- Project/Portfolio performance monitoring and reporting supports on-going investment decisions

For more information...

- Thank you for your participation today!
- For more information on the contents of this presentation, please feel free to contact me as follows:
 - Catherine Hoople
 - Interis Consulting Inc. 
 - Catherine.Hoople@interis.ca
 - 613-237-9331

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