

A Program Management **FRAMEWORK** for Facilities Managers

By Dan King, P.E.

The challenge faced by senior facility leaders is not how to execute a single project, but rather, how to successfully execute a large program consisting of hundreds of projects. Senior facilities officers at universities, school districts, hospitals, airports, and other organizations with extensive facility inventories, typically manage project programs of this size. These programs consist of maintenance projects ranging in cost from the tens of thousands of dollars to new construction projects in the tens of millions. The need to manage a large program of diverse projects is a critical and ongoing requirement for most facility organizations.

WHAT IS PROGRAM MANAGEMENT?

Program Management is not just the sum of managing many individual projects. Projects are planned, developed, and executed within a system comprising policies, processes, standards, and, most importantly, people. Program Management is the dynamic management of this complex system. How well facility leaders proactively manage this system will determine whether or not they achieve

success completing their program of projects. Implementing a structured Program Management function within their organization will assist facility leaders in managing the project execution system. This article provides a framework for the Program Management function required by facilities organizations with large project programs.

PROGRAM MANAGEMENT CAN BE DEFINED AS SYSTEMICALLY MANAGING, DIRECTING, AND DRIVING THE EXECUTION OF A LARGE SET OF PROJECTS TO ENSURE THEY ARE SUCCESSFULLY COMPLETED.

PROGRAM MANAGEMENT FRAMEWORK

The Program Management function can be viewed as a framework consisting of the following key components:

1. Strategic
2. Resource
3. System
4. Project execution
5. Program assessment

This framework is depicted in Figure 1.

Strategic Component	<ul style="list-style-type: none"> • Mission • Values • Ethics 	<ul style="list-style-type: none"> • Vision • Strategic Plan
Resource Component	<ul style="list-style-type: none"> • System Capabilities • System Capacities 	<ul style="list-style-type: none"> • Investment
System Component	<ul style="list-style-type: none"> • Policy • Standards 	<ul style="list-style-type: none"> • Process • Organization
Execution Component	<ul style="list-style-type: none"> • Project Definition • Execution Performance 	<ul style="list-style-type: none"> • Problem Resolution • Status Reporting
Program Assessment Component	<ul style="list-style-type: none"> • Project Tracking • Program Assessment 	<ul style="list-style-type: none"> • Program Summary • Workload Balancing

Figure 1: Program Management Framework

Each of these system components has a major impact on how projects are executed. The components, in turn, consist of several subcomponents that affect execution performance. Using this framework to provide structure to the overall Program Management function, these subcomponents must be continually managed and adjusted by facility leaders to improve execution performance.

PROGRAM MANAGEMENT FRAMEWORK COMPONENTS

I. Strategic Component:

The strategic environment shapes the Program Management function as well as project execution. At the strategic level, the mission, values, and ethics of the core organization create the background within which facilities management operates and executes projects. The vision of the Board of Directors and Chief Executive Officer as well as the core business’ strategic plan will impact decisions made regarding program management and project execution.

FOR FACILITY LEADERS, THE KEY STRATEGIC COMPONENT ISSUE IS TO ENSURE THAT ALL COMPONENTS OF THE PROGRAM MANAGEMENT FRAMEWORK ARE ALIGNED WITH THE VISION AND STRATEGIC DIRECTION OF THE PARENT ORGANIZATION.

II. Resource Component:

The resources applied to program and project management directly impact execution success. The Resource Component consists of the Capacity, Capability, and Investment subcomponents. Capacity is the amount of work the project execution system can produce. Capability is having the right type of skills, knowledge, and talent, or expertise, to execute the work. If in-

sufficient capacity or capability exists, the timeliness of execution will suffer and projects will be delayed. Neither capacity nor capability is static, unchanging attributes of a facilities management organization.

As the mission or technologies change over time, capabilities may need to evolve. As talented personnel leave the organization, critical capabilities may be lost and must be replaced. Aligning the capacity with the workload is essential. Both capacity and capability can be increased by raising staffing levels or hiring more talented personnel. In periods of low workload, staffing levels may need to be reduced by attrition, layoffs, or other measures.

Given inevitability of fluctuating

program budgets, a mixture of “core” in-house capacity and capability, augmented by those obtained contractually from consultants, provide the organization with the ability to “flex” as needed to accomplish a workload that varies over time.

FOR FACILITY LEADERS, THE KEY RESOURCE COMPONENT ISSUE IS TO CAREFULLY DETERMINE THE CAPACITY AND CAPABILITIES REQUIRED BY THEIR ORGANIZATION AND ITS WORKLOAD, AND MANAGE THE LEVEL OF INVESTMENT IN EACH TO ENSURE THEY ARE SUFFICIENT TO EXECUTE THE PROGRAM OF PROJECTS.

III. System Component:

The nature of the execution system will have a significant impact on its ability to complete projects. The System Component consists of the Policy, Organization, Standards, and Process subcomponents. The policies of the facilities management organization, such as project initiation, prioritization, funding, bidding, and contracting will all affect how work is accomplished. Similarly, the standards utilized to guide and direct the execution of work, such as architectural and design standards will affect how projects are completed. Additionally, the organizational structure of the facilities management group has a major impact on execution performance. For some organizations, a functional approach (e.g., planning, design, and construction management departments) may be the best way to execute projects. In others, client teams or a matrix structure may be a more successful.

Finally, the processes by which projects are completed are critical to execution performance. In large project programs, the processes that execute work will be performed over and over on each new project entering the system, so small process inefficiencies will be multiplied dozens, if not hundreds, of times

annually. A successful Program Management function must be strongly committed to process improvement, whether through Total Quality Management, ISO Certification, Lean Six Sigma, or similar approaches.

FOR FACILITY LEADERS, THE KEY SYSTEM COMPONENT TASKS ARE TO CONTINUALLY IMPROVE POLICIES, STANDARDS, AND PROCESSES, AS WELL AS TO OPTIMIZE THE ORGANIZATIONAL STRUCTURE TO MAXIMIZE EXECUTION.

IV. Project Execution Component:

The Project Execution component is the actual completion of the myriad of tasks needed to execute projects and complete work for clients. This component consists of the Project Definition, Execution Performance, Problem Resolution, and Status Reporting subcomponents.

Getting projects off to a good start is essential to execution success. The Program Management function must ensure projects do not languish in the initial phase of execution while the scope is being developed, the costs are being estimated, project funds are being sought, or contracts are being written. Facility leaders need to continually work to improve the performance of the personnel involved in the execution process. Design and project managers must be accountable for their ability to execute projects on time, within budget, and with high quality for their clients.

To successfully execute a large program of projects, the facilities management organization must also be capable of resolving difficult issues in a timely and effective manner. These problems may be political, financial, policy, process, technical, or contractual in nature. Regardless of the specific problem, the role of Program Management is to remove those obstacles in support of the project managers. Finally, project status reporting is an essential part of the Program Management function. Project managers must accurately report the status of their projects on a regular basis in a manner that supports the Program Assessment process.

FOR FACILITY LEADERS, THE KEY ISSUES FOR THE PROJECT EXECUTION COMPONENT INCLUDE MANAGING THE “FRONT END” OF THE PROJECT EXECUTION PROCESS, RESOLVING PROBLEMS, AND HOLDING STAFF MEMBERS ACCOUNTABLE FOR PERFORMANCE.

V. Program Assessment Component:

The Program Assessment component serves as the feedback mechanism in the Program Management framework. It is at the heart of the organization's Program Management efforts. This feedback loop is critical to understanding the status of the overall program. By relentlessly tracking project status and assessing execution performance, facility leaders can develop the

information needed to make the changes necessary to improve the execution system.

The Program Assessment Component consists of the Program Summary, Project Tracking, Program Assessment, and Workload balancing subcomponents. To track the execution of the overall program of projects, it is necessary to have a comprehensive Program Summary that lists all projects comprising the program. Using this summary, the execution status of projects is tracked using the information obtained from the Project Reporting subcomponent described above.

This project-by-project status is aggregated and assessed to determine how well the overall program is being executed. In particular, the Program Assessment subcomponent looks for common or repetitive problems, execution trends, workflow bottlenecks, problematic policies or standards that create obstacles to execution, systemic process inefficiencies, workload imbalances, capability or capacity shortfalls, or project manager performance issues.

FOR FACILITY LEADERS, THE KEY ISSUE OF THE PROGRAM ASSESSMENT COMPONENT IS TO ACCURATELY AND COMPREHENSIVELY ASSESS THE EXECUTION STATUS TO DEVELOP THE INFORMATION NEEDED TO MANAGE THE OVERALL PROGRAM OF PROJECTS.

THE ROLE OF SENIOR FACILITY LEADERS IN PROGRAM MANAGEMENT

Senior facility leaders, as a rule, do not manage projects. Rather, their role is to manage the overall system by which projects are executed. The crucial role for facility leaders in the Program Management framework is to use the Program Assessment component to change, modify, or improve the Resource, System, or Project Execution components. Simply stated, the value of an organization's Program Management function is proportional to extent the leaders use it to adjust capacities and capabilities, streamline processes, modify policies, establish standards, optimize organizational structure, resolve problems, enforce accountability, and balance workload to maximize project execution in terms of speed and quality of execution.

If facility leaders are not continually assessing and improving their overall execution system, they are not managing their program of projects. However, if they implement a strong Program Management function, facility leaders will improve the ability of their organization to successfully execute projects in support of their clients. ☛

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