

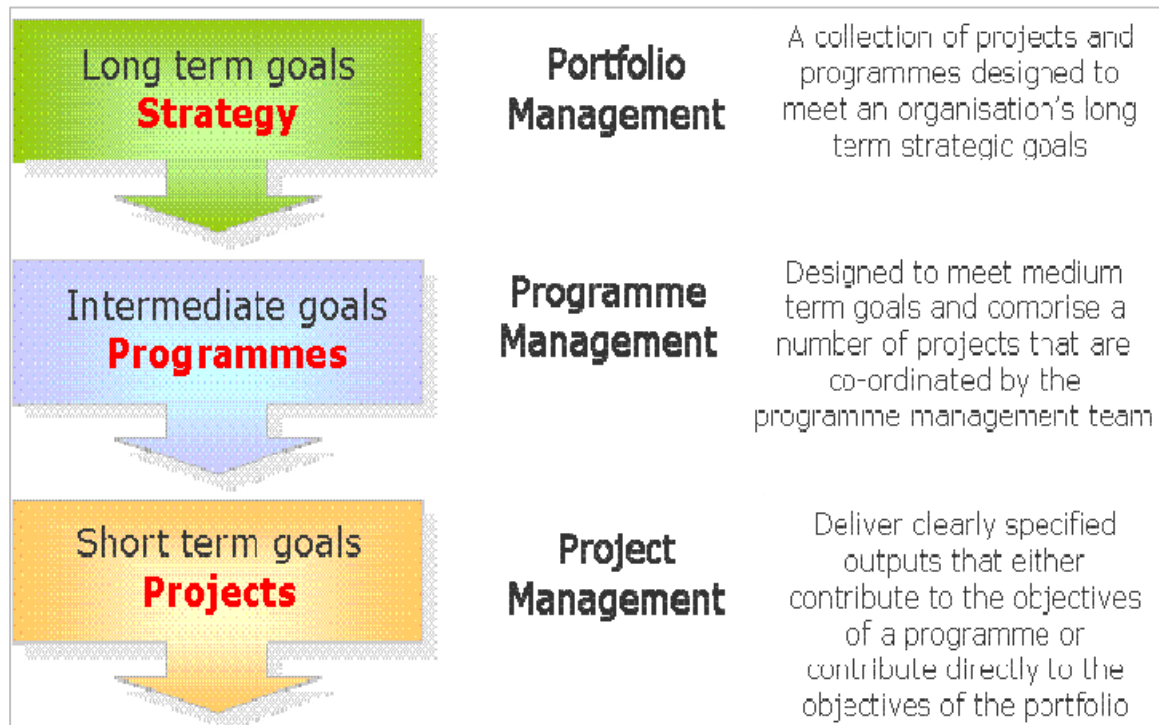
Portfolio, Program(me) or Project

Introduction

There are many, often conflicting, definitions regarding Portfolio, Program(me) and Project Management. This paper sets out to describe the differences between them so that you are able to make the correct choice when deciding the correct PM Qualification for you.

Portfolio Management is the corporate level, ongoing and permanent, business-as-usual activity of coordinating successful delivery of projects, programmes and other business activity.

Programmes and projects on the other hand are temporary endeavours that require a different and specific set of tools, techniques and procedures.



Portfolio, Program(me) or Project

Portfolio

Portfolio management provides an overview of the organisation's total investment in programmes and projects, ensuring ongoing alignment with the corporate strategic objectives.

The term Portfolio refers to the total set of programmes and projects within an organisation, representing the complete picture of an organisation's investment and resource commitment to deliver its strategic objectives.

The fundamental objective of the Portfolio Management process is to determine the optimal mix and sequencing of proposed projects to best achieve the organization's overall goals while honoring constraints imposed by management or external real-world factors. Typical attributes of projects and programmes being analyzed in a Portfolio Management process include each project's total expected cost, consumption of scarce resources (human or otherwise) expected timeline and schedule of investment, expected nature, magnitude and timing of benefits to be realized, and relationship or inter-dependencies with other projects and programmes in the portfolio.

Treating a set of projects and programmes as a portfolio would be, in most cases, an improvement on the ad hoc, one-off analysis of individual proposals.

Program(me)

Large, complex deliveries are often broken down into manageable, inter-related projects. For those managing this overall delivery the principles of programme management are key to delivering on time and within budget.

Program(me) Management is the process of managing multiple ongoing inter-dependent projects. In an organization or enterprise, Program(me) Management also reflects the emphasis on coordinating and prioritizing resources across projects, departments, and entities to ensure that resource conflicts are managed from a global focus.

The UK government through the Office of Government Commerce (OGC) has invested heavily in programme management (or program management as it's known in the USA).

Program management provides a layer above project management focusing on selecting the best group of programs, defining them in terms of their constituent projects and providing an infrastructure where projects can be run successfully but leaving project management to the project management community.

Programme management responsibilities can vary. For instance, manufacturing program management responsibilities will be much different than programme management responsibilities for an IT programme.

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Project

A project consists of a temporary endeavor undertaken to create a unique product, service or result.

There are many definitions for the term project. Here are just a few:

- Planned set of interrelated tasks to be executed over a fixed period and within certain cost and other limitations
- A structure to complete a specific defined deliverable or set of deliverables. A project has a specific begin date and end date, specific objectives and specific resources assigned to perform the work. A project manager has overall responsibility and authority over a project. When the objectives are met, the project is considered complete.
- A human endeavour legitimately regarded by its stakeholders as a project [because] it encompasses a unique scope of work that is constrained by cost and time [and] the purpose of which is to create or modify a product or service to achieve beneficial change defined by quantitative and qualitative objectives.
- Projects are performed by people, constrained by limited resources, and planned, executed, and controlled. A project is a temporary endeavor undertaken to create a unique product or service. Temporary means that every project has a definite beginning and a definite ending. Unique means that the product or service is different in some distinguishing way from all similar products and services. Projects are often critical components of the performing organizations' business strategy.