

Contextual Project Governance

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Project governors can be considered as a roles or entities, which are at a level above the project management entity, that are empowered to govern and supervise project manager and project team in order to deliver the project objectives.

Different organizations have different bodies and entities that govern projects. Some organizations have programmes that act as a governance entity for projects, whereas others may have portfolio management practices and entities in place that act as a governance entity for projects and programmes. There might be other organizations that may setup steering committee or project governance board which takes care of the project governance role. Along with that organizations can establish Project Management Office (PMO) to setup an environment, which includes establishment of processes and standards, under which projects are governed. Regardless of the terminology or form of governance entity, three aspects, i.e. *project surveillance*, *project control* and *project support*, form the foundation of project governance, and can be considered as *dimensions of project governance*.

Project governors focus on governance dimensions, with varying degrees, during the course of the project. This shift in preference is to ensure that the project remains on track and can successfully deliver its objectives. This shift in preference is due to different factors, such as the attributes of the project that is being governed, the performance of the project, as well as other factors, such as organizational influence on the project.

The following section defines the functions and the underlying dimension that are the focus of these governance entities. The later section will review the some factors that influence preference of project governors towards the governance dimensions.

Project Governance Dimensions

During the course of the project, governance team has the responsibility to review the project progress on a regular basis. This review can happen periodically or based on certain triggering events such as project authorization in a programme. This project review can happen through:

1. Project reporting (scheduled or unscheduled)
2. Governance meetings (scheduled or unscheduled)
3. Project progress meetings (scheduled or unscheduled)
4. Project Audits (informed or sudden)
5. Informal project updates

The reason for having this oversight is to ensure that the project progress remains aligned with the plans and the defined thresholds. This can be considered as the *surveillance dimension* and based on this the project governor can decide whether he needs to focus more on control or support dimension.

Due to various factors, such as project priority, project performance or project cost, there is a possibility that certain aspects of projects are controlled by the governance team. Controlling the project includes:

1. Taking certain decisions on behalf of the project manager and the project team
2. Controlling the expenditure and allocation of resources
3. Reviewing and influencing the actions and decisions of the project manager and the project team
4. Safeguarding the project from unrealistic and unstable customer expectations and requirements

These control related functions are needed because there is a possibility that the project manager might be unable to handle them in an appropriate manner and the success of the project might be compromised if these aspects remain unattended. This can be considered as the *control dimension* of project governance.

Another dimension of project governance is the *support dimension*. Every project needs support and guidance from the governance team throughout its life cycle. Under this dimension the governance team focuses on:

1. Providing the means and resources required to achieve the defined project objectives
2. Providing resources and ensuring resource availability is a governance function
3. Resolving project risks and issues that are escalated by the project team or are external to the project and can influence the project
4. Defending the project before different stakeholders and keeping the stakeholders aligned and supportive of the project
5. Influencing the organization to provide the necessary resources to the project team (even when such resources are not planned in advance)

The following Exhibit 1 shows the three dimensions of project governance:

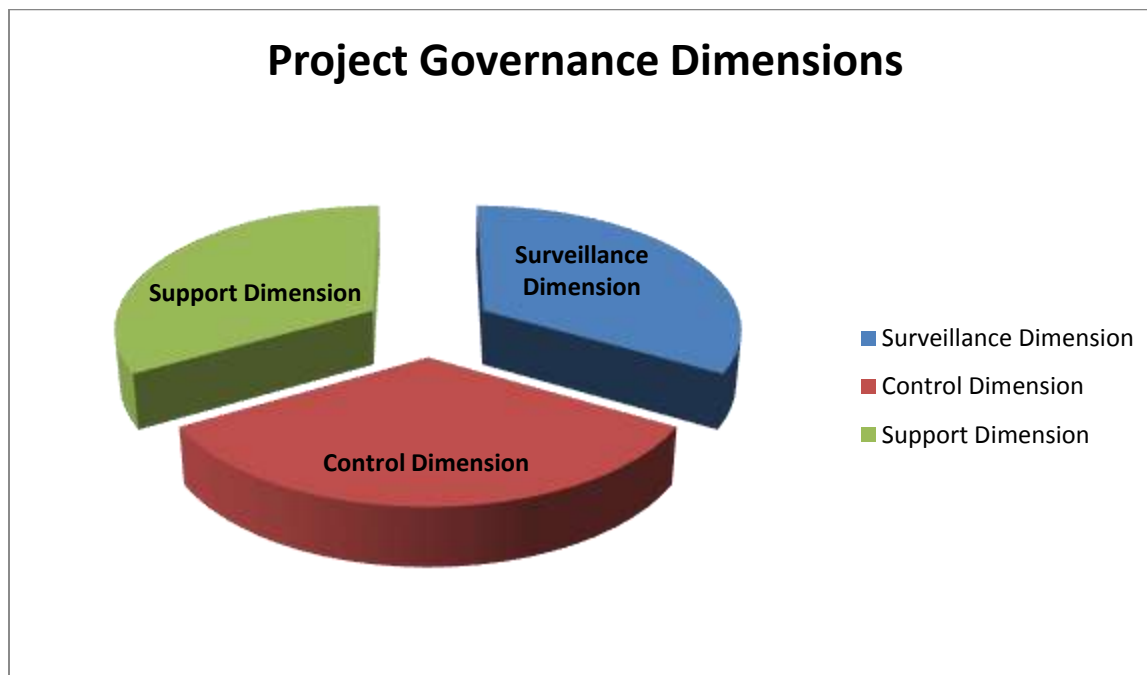


Exhibit 1: Project Governance Dimensions

Influencers: Project Attributes and Performance

The preference of project governors for these dimensions is influenced by the *attributes of the project*, as well as the *project performance*. Following are some of the examples that validate this statement:

1. A high performing project might require lesser degree of control than projects which are of performing poorly as per the expectations
2. A project which is in initial stages or final stages of project may require higher degree of surveillance (planned as well as unplanned governance meetings) than projects which are in the execution phase (regular progress reporting as well as pre-planned governance meeting)

3. A project that is consuming significant portion of the organizational resources may require a higher degree of surveillance than projects which can be considered as low cost
4. A strategically high priority project might have a higher level of support, control and surveillance as compared to a project which is low priority to the organization
5. A high complexity and uncertainty project may need more support than projects which have been already executed within the organization
6. A project which is owned by multiple parties may require a higher level of support, control and surveillance as compared to a project which is owned by single party

The following Exhibit 2 shows this linkage between project attributes, performance and preference for project governance dimension:

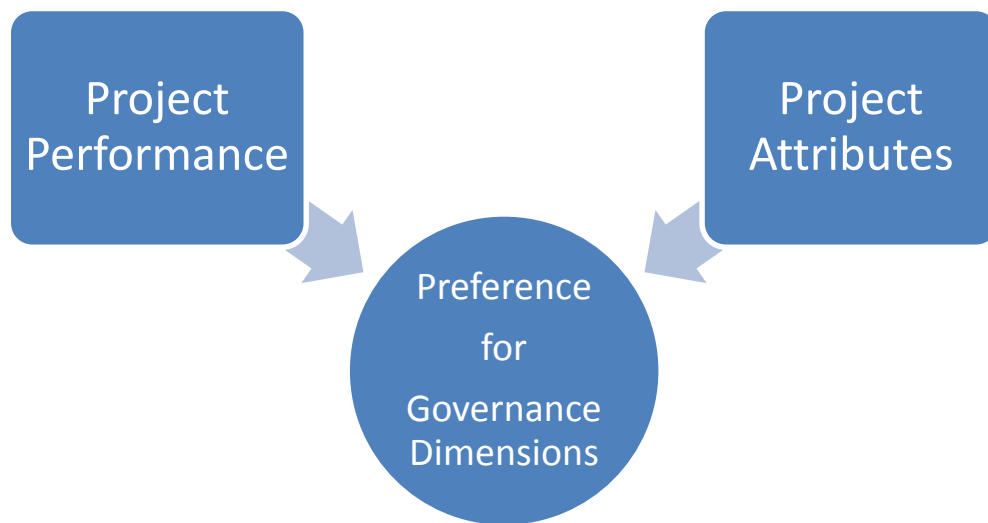


Exhibit 2: Project Attributes and Performance influencing Preference for Governance Dimension

Summary

Governance is considered to be an oversight function. Based on an earlier research conducted, it was observed that project governance has 3 main roles or dimensions:

1. Monitoring the project activities and project progress throughout the project life cycle.
2. Controlling the project when it is required.
3. Providing support and guidance to project manager and project team.

It has been observed from earlier studies, as well as practical experience that different projects require different management and governance mechanism. This paper investigated the shifting preference of project governors i.e. project governance roles and entities (such as Programme Managers, Portfolio Managers, PMO Members), from one governance dimension to the other based on differences in project attributes and performance.

It is essential to keep these influencers in mind when creating project governance frameworks which are context sensitive, and can meet the needs of the project state. Also these influencers should be identified during the project life cycle, so that the governance entity can respond based on evolving project condition. There is a higher probability that frameworks designed in this manner will be more objective oriented, where creation of governance framework is to ensure that project delivers the promised results, rather than creating mindless bureaucratic organizational entities.

About the Author

Dr. Muhammad Ehsan Khan PgMP, PMP is a pracademic and consultant who has been associated with the growing profession of project governance and management for more than a decade. Ehsan holds a PhD in Strategy, Programme and Project Management from SKEMA Business School, France. He was awarded with Young Researcher of the Year 2013 by International Project Management Association (IPMA) and James R. Snyder Student Paper of the Year Award 2012 by Project Management Institute (PMI).

With special inclination towards strategic planning and governance of projects and programs, Ehsan has provided management, consulting and mentoring services in the Middle East Region. He has been involved in establishment of PMO, implementation of governance frameworks, and related practices and tools, in order to create an environment of project management excellence. He has also been managing medium-large scale ICT programmes and projects for various customers, especially in the government sector.

As an academic, his research interests are in the field of Contingent Governance Frameworks for Temporary Organizations. He has written research papers in the project governance domain and has also featured as an author in various publications. He is currently authoring a book on Program Governance and has been part of major conferences where he has presented papers related to his area of interest.

Ehsan has also been involved in establishing successful technology startups in his career. He is currently engaged as a partner, and founding member, of a Business Intelligence Startup in Abu Dhabi, UAE.

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