

Improving Programme and Project Delivery



Increasing the Civil Service's capacity and capability to deliver

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Foreword



Improving public services is the Government's top priority. Achieving this requires clear leadership from the top and better delivery on the ground.

Better programme and project management (PPM) in the Civil Service has a key role to play in meeting this challenge. Across departments, our commitments require the ambitious delivery of innovative cross-cutting solutions, including major capital projects for new GP premises, hospitals, schools, and modern IT systems that support professionals in serving customers better. These are the practical programmes that are critical to giving the public confidence in better public services. As Sir Andrew Turnbull has said, we need a Civil Service that is as respected for its delivery as its policy advice.

That's why the implementation of this report is so important. I am pleased that one of its key recommendations – establishing PPM 'centres of excellence' within departments – has already been endorsed by the Cabinet. Permanent Secretaries have agreed how best to execute its recommendations in their department. Ministers and officials will need to work closely together on implementing these recommendations.

Of course these new centres must recruit the right people, develop programme management skills, and promote the delivery culture. I welcome the commitment to training for change and development opportunities on offer to civil servants to fulfil these requirements.

Implementing the recommendations from this project will bridge the gap between policy and delivery. The priority is for Ministers, the Civil Service and frontline staff to work together to improve customer-focused delivery. The Office of Public Services Reform's recommendations add impetus to the reform strategy. I hope you will seize the opportunity they present.

A handwritten signature in black ink that reads "Tony Blair". The signature is written in a cursive style and is underlined with a single horizontal line.

Executive Summary

Delivery is top of the Government's agenda and better programme and project management (PPM) will improve the Civil Service capability and capacity to deliver. Research conducted by the Office of Public Services Reform (OPSR) and CMPS shows that increasingly PPM techniques are successfully being applied to policy development and delivery, as well as traditional procurement tasks.

In response to the Prime Minister's concerns over continuing weaknesses in project delivery, the Improving Programme and Project Delivery (IPPD) project was established in September 2001. The project, led by OPSR and involving the Office of Government Commerce (OGC), Corporate Development Group (CDG) including CMPS, HM Treasury (HMT) and several departments, was charged with developing a package of measures to achieve significant and sustainable improvement in programme and project delivery.

IPPD developed recommendations to assist departmental improvement in three areas:

- **structure and culture** – to support senior management in implementing a programme management approach to delivery, through developing a 'centre of excellence' in each department;
- **processes and toolkits** – a web-based PPM framework – *Policy to Successful Delivery* – for use by non-specialists that is scaleable to degrees of risk and complexity; and

- **people and skills** – a set of products for departments to assess, develop, deploy, recruit and reward staff with PPM skills for specific delivery roles.

Structures – Centre of Excellence

Top team oversight of major programmes is critical to success. IPPD recommends that departments establish a centre of excellence, combining the roles of programme office and departmental capacity/capability building. The centre of excellence will ensure Management Boards and Ministers have the systems and data they need to prioritise, monitor delivery, and balance risk against departmental capability. This concept has won wide support from departments and the Cabinet and is supported by independent research from KPMG¹ (see page 13).

Processes and Tools

Departments with a standardised PPM process and tools can manage their programmes with greater rigour and consistency, facilitating effective top team oversight and enabling staff to move between projects without starting from scratch. For departments who currently have no such standard framework, IPPD has developed the *Policy to Successful Delivery* website with advice and templates on project planning, management, scrutiny and closure. This is linked to delivery guidance from HMT and the Delivery Unit and to OGC's *Successful Delivery Toolkit* (see pages 19–21).

¹ Private and public sector organisations from around the world took part in the Survey. An executive summary and full report are available from the KPMG website www.kpmg.co.uk



People and Skills

Departments need to take measures to align PPM skills with business needs. Historic difficulties in finding and recruiting skilled staff are being addressed by the wider HR reforms underway from CDG. Much can be done to improve skills from within at all levels. OGC and CDG have agreed a twin track strategy to:

- develop a cadre of PPM expertise; and
- bring PPM into the core SCS delivery skills (complementing OGC's *Successful Delivery Skills* programme for staff at Grade 6 and below).

In addition, improved PPM training and development is now available for staff at all levels from CMPS and other providers (see pages 25–26).

Maintaining Momentum

Different elements of IPPD's recommendations were implemented in five 'early adopter' departments over the latter stages of IPPD and departments retain primary responsibility for building their own PPM capacity. Now that the IPPD project has been completed, OGC will take on leadership in promulgating its recommendations, assisting departments in developing centres of excellence, supporting the cross-Whitehall centre of excellence network founded by IPPD, and establishing the PPM specialist cadre.

For further information contact Neil Glover, OGC, 01603 704816
or Richard Williams, CDG, 020 7276 1360

1 Introduction

Greater accountability is being placed on Ministers and top officials to implement policy objectives and strengthen departmental capacity and capability to deliver. The 2002 Spending Review reinforced the need for increased investment to be matched by reform.

“... continues to indicate very serious weaknesses across a broad range of projects.”

(OGC Gateway Review, Jun 2001)

Weaknesses in the Civil Service’s ability to deliver programmes and projects were highlighted in 2001 by results from Office of Government Commerce (OGC) Gateway reviews, National Audit Office reports, and by the Public Services Productivity Panel’s (PSPP) review of Public Service Agreement (PSA) implementation.

In response to these concerns, Wendy Thomson, Peter Gershon and Michael Barber proposed a project to **Improve Programme and Project Delivery (IPPD)** which was endorsed by the Civil Service Management Board in September 2001. The cross-departmental project, led by the Office of Public Services Reform (OPSR) and sponsored by Lord Macdonald, was tasked with developing a package of measures to achieve significant and sustainable improvement in programme and project delivery.

Sir Andrew Turnbull has reinforced the importance of skills such as programme and project management (PPM) as key drivers to achieving a Civil Service respected as much for its delivery as for its policy skills.

This report documents IPPD’s main findings and recommendations for action. It outlines ways to improve programme and project delivery across departments, to help Senior Civil Servants and others understand what a PPM approach means for them and their organisations.

“No plan ... a vague chain of command ... interdependencies not mapped ... no holistic view of process.”

(PSPP review of progress towards meeting the PSA targets, Sep 2001)

It addresses practical questions about implementing this approach and we hope it will ensure consistency and coherence when central units advise departments on how to improve their delivery. Most importantly it should reduce the risks and improve the outcomes of delivery.



Connecting PPM to Better Policy Delivery and Departmental Capacity

PPM is one of many tools available to help ensure policy delivers the desired benefits. IPPD's recommendations have been developed alongside guidance provided on PSA Delivery Plans, and the Prime Minister's Delivery Unit's and OGC's Toolkits. Challenging public policy problems increasingly require cross-cutting solutions. In this environment, PPM is a useful device for executing such complex and exacting plans, not only where they involve large capital and IT programmes but also for more policy oriented objectives.

So improving PPM is an important step towards increasing departmental capability for high performance. It is a key

operational component of the Departmental Change Programme, devised and piloted by OPSR over the past year, in which departments are expected to have a consistent framework for managing programmes and projects, aligned with their systems for performance management and PSA delivery.

As most departments' work on change moves from diagnosis and development to execution and sustainable improvement, progress will be monitored and targeted support provided through a 'Performance Partnership' being developed between departments and the Cabinet Office/HM Treasury. Where PPM is identified as a key issue for a department, IPPD's recommendations will provide an important tool.

OPSR's work on Reducing Bureaucracy, with the Regulatory Impact Unit, has developed a blueprint for policy development reflecting the requirements of the front line, incorporating smarter delivery planning, effective PPM and reducing the flow of administrative burdens on the frontline.

"... A Civil Service respected as much for its capability to deliver as for its policy skills ... enablers to achieve these goals ... key skills such as project management."

(Sir Andrew Turnbull, Jun 2002)

Our Thanks

IPPD is grateful to everyone who provided input to the project:

- The project User Group comprising 35 practitioners from 22 government organisations.
- Department for Education and Skills (DfES), Department for Work and Pensions (DWP) and Ministry of Defence (MoD) for enabling IPPD to learn from many years' combined experience of managing programmes and projects.
- The Office of Government Commerce (OGC), DfES, Department of Trade and Industry, HM Customs and Excise and MoD who helped us produce the *Policy to Successful Delivery* website.
- Our five 'early adopter' departments who worked with IPPD to improve their PPM capability and shared knowledge and experience – Department of Health, Home Office, Department for Culture, Media and Sport, DfES and DWP.
- Departments which seconded staff to the project team – MoD, Home Office, Inland Revenue, National Assembly for Wales, Cabinet Office Corporate Development Group (CDG), OGC and Strategy Unit.
- The members of the IPPD Steering Group, chaired by Wendy Thomson: Michael Barber, Peter Gershon, John Gieve, Rachel Lomax, David Omand, Alice Perkins, Andrew Pinder, Adam Sharples, Kevin Tebbit and expert advisers Gordon East and Tim Gbedemah.

2 Improving Programme and Project Delivery (IPPD)

What is Programme and Project Management?

Programme and project management (PPM) is a way of organising to deliver. It can help to improve outcomes through:

- setting agreed goals and milestones, and regularly assessing progress;
- clarity of accountability, roles and responsibilities at all levels;
- transparent reporting of progress and problems – including to Ministers – so that remedial action can be taken in good time; and
- offering a framework within which to balance risk and departmental capability.

PPM does not have to mean the rigid application of a complex methodology: the best results come from an intelligent application of principles to suit the nature and scale of the task in hand.

Terminology

A **project** is a set of activities, with definite starting and finishing points, to produce specific outputs within defined time, cost and quality parameters.

Programme management provides a framework for implementing business strategies and initiatives through the co-ordinated management of a portfolio of projects to achieve benefits of strategic importance.²

Projects are about delivering *outputs*; programmes focus on achieving the resultant *outcomes*. The key requirements for better PPM are:

- at the **organisational** level, the top team being clear about strategic goals and actively overseeing the portfolio of major programmes, managing risk against capability;
- at the **programme** level, understanding strategic departmental priorities, identifying and managing risk and interdependencies with regular independent scrutiny of progress. A single named individual – a Senior Responsible Owner (SRO) or equivalent – needs to be accountable for each major programme; and

- at the **project** level, the team needs clear roles and responsibilities and a vision translated into a plan with milestones, regular reporting and review, and stakeholder involvement from the start.

The Benefits of PPM

PPM can improve performance across a range of government business, both traditional project work and the delivery of Public Service Agreement (PSA)/policy outcomes. PPM will improve delivery by providing:

- a clear focus on objectives, with clear accountability for delivering results to required time, cost and quality;
- a framework for prioritising and managing resources;
- for cross-boundary working which is almost always needed to deliver outcomes for government's customers;
- for transparent reporting internally and externally;

² Both summarised from the OGC *Successful Delivery Toolkit*.



- a robust factual basis on which to advise Ministers and Management Boards, giving them the data they need to make informed decisions; and
- a medium for identifying risk and uncertainty, assessing and managing them to focus management resources where they will provide most benefit.

Research commissioned by IPPD and CMPS shows that departments are increasingly realising the benefits of applying PPM to policy development and implementation, be it a Bill, White Paper or flagship

government policy. The research gathered case studies from five departments, identifying lessons and common features of success. The full report is available at www.pm.gov.uk/output/Page5625.asp

IPPD Early Adopter Achievements

Five 'early adopter' departments tested and implemented elements of the IPPD Offer through summer and autumn 2002, to support them in improving their programme and project delivery. Their input provided excellent opportunities to cross-fertilise ideas, sharing experience and good practice across all interested departments.

IPPD's input in early adopters included:

- In the **Home Office** supporting the establishment of its Programme and Project Management Support Unit (PPMSU), assisting with the business case development and Project Initiation Document (PID), enabling the Home Office to introduce a common PPM framework by adopting and adapting the IPPD *Policy to Successful Delivery* website.
- Helping the **Department of Health** to develop its *Supporting Programme Delivery* project to improve PPM capability through establishing a PPM centre of excellence and recruiting and inducting external programme management expertise for the Delivery Priority programme to support PSA targets.
- Supporting the **Department for Culture, Media and Sport** in developing its plans for programme support infrastructure as part of its wider *Touchstone* change programme which will, amongst other things, move the Department to project-based working. The *Policy to Successful Delivery* framework informed the Department's own model for a project lifecycle.
- Learning from the **Department for Education and Skills** about using programme management in a policy environment. IPPD has been helping DfES to develop a comprehensive organisational capability assessment tool to help measure the impact of PPM and its *Supporting Better Delivery* change programme.
- Also learning from the **Department for Work and Pensions**. OPSR helped DWP to establish proposals for reducing bureaucracy in the development and implementation of new policy which have been agreed and are being implemented.

The IPPD Project

In September 2001, IPPD was established under the leadership of OPSR and Cabinet Office Minister Lord Macdonald. The project, which ended December 2002, was charged to deliver solutions for departments in three areas:

- **structure and culture** – what organisational support do departments and senior officials need to deliver programmes and projects successfully?
- **processes and toolkits** – what is the project lifecycle, what should be done at each stage and what tools should be used?

- **people and skills** – how should departments develop, deploy, recruit and reward PPM skills to enhance capability and capacity?

Based on eight months' work with departments and central units, IPPD developed an 'Offer' to departments which is detailed in Chapter 3. The elements of the Offer, tailored as appropriate, should help departments to achieve significant and sustained improvement in delivery of programmes and projects: not just IT or procurement but policy outcomes too.

Maintaining the Momentum After 2002

Momentum will be ensured through OGC's ongoing responsibility for helping departments to align their

programme and project commitments with their capacity and capability. OGC will facilitate the development, networking and assessment of PPM centres of excellence in central departments. This work will be supported by professional accreditation schemes e.g. the Chartered Management Institute and by partnership with Corporate Development Group (CDG) to inculcate PPM skills across the Senior Civil Service (SCS).

CDG is also engaged with departments to *Modernise People Management* functions to ensure the right PPM skills are being developed, recruited, rewarded and deployed to meet departments' business needs, both within the SCS and below.

For more information contact: Neil Glover, OGC, 01603 704816, neil.glover@ogc.gsi.gov.uk or Richard Williams, CDG, 020 7276 1360, richard.williams@cabinet-office.x.gsi.gov.uk



3 Implementing a Programme Approach to Delivery – The IPPD Offer

The IPPD Offer provides a menu of solutions for departments to adopt according to their priorities and areas of greatest challenge. It is important for any programme and project management (PPM) solution to fit the size, complexity and risk of the task in hand. Departments can use a tool such as the Office of Government Commerce (OGC) *Project Profile Model* to help them assess project complexity and understand how ‘heavy’ or ‘light’ touch PPM needs to be in each case.

The IPPD Offer emphasises the importance of departments:

- establishing the right **structures and culture** with active top management and ministerial oversight of key programmes and risks. A PPM ‘centre of excellence’ in each department will facilitate this approach;

- using an appropriate **PPM framework and tools** to improve rigour and consistency e.g. the *Policy to Successful Delivery* framework developed by IPPD; and
- actively developing Human Resources (HR) so that the supply of **people and skills** matches PPM demand at all levels in the organisation.

The remainder of this section sets out the IPPD Offer in more detail, providing practical advice and signposting further sources of guidance and support.

The IPPD Offer Part 1: Structure and Culture

A department’s ability to deliver programmes and projects is dependent on getting it right at the top and having the right capacity and capability throughout the department. The key components are:

- top team oversight of key programmes: Management Boards and Ministers need to set strategic priorities. The top team must then manage the risks and interdependencies on their major programmes, informed by a full understanding of the department’s current challenges and capacity;
- accountable leaders – Senior Responsible Owners (SROs) – need to be appointed for each major programme, accountable for ensuring it delivers; and
- a PPM ‘centre of excellence’ needs to report upwards to the Management Board, providing the necessary information on progress and risks to facilitate decision making.

Figure 1 provides an overview of how these roles fit together.

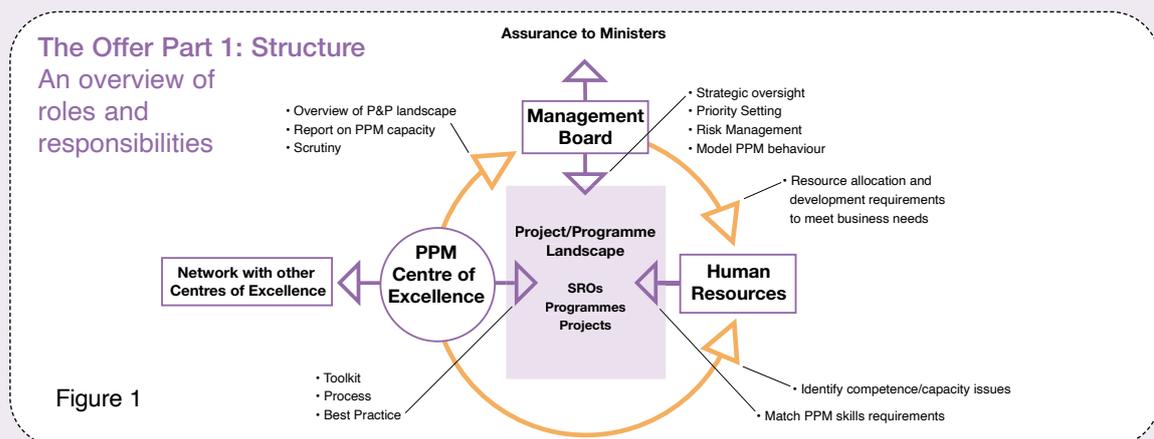


Figure 1

Centres of Excellence

The departmental PPM centre of excellence has a pivotal role in enhancing capacity and capability. As a 'super programme office' it will support the top team in its strategic oversight of high-risk programmes, including those for delivering Public Service Agreement (PSA) targets. As a centre of excellence it supports programme and project teams, offers advice, ensures appropriate tools are used and disseminates lessons learned.

As shown in Figure 1, a centre of excellence provides support in all directions within a department. It provides support **upwards** to the Management Board to enable them to give assurance to Ministers. In practice this may involve:

- identifying and agreeing the delivery programmes critical to success and advising on implications for the department's financial and HR planning;
- ensuring the Management Board and Ministers understand the cumulative risks and interdependencies of their major programmes, especially cross-departmental ones, and can make the right choices about prioritisation;

- ensuring governance, staged approvals and financial control; and
- carrying out regular assessments for Ministers and the Management Board to provide highlight reports on progress and risks (where appropriate in partnership with OGC and/or the Prime Minister's Delivery Unit (PMDU)).

The centre of excellence provides support **into** the department by promoting a consistent departmental PPM methodology and common standards. It will share expertise, lessons learned and good practice from within and across government. It may give targeted training or workshop assistance to programme and project teams, provide an intervention service for SROs and even parachute in skilled resource to projects in need.

Finally, the centre of excellence can act as a single point of contact **outwards** beyond Whitehall to other delivery partners in the public and private sector, and to central units such as HM Treasury (HMT), PMDU and OGC. This can help streamline demands for information and ensure the department is aware and making use of the help on offer from the centre, in line with its own priorities.

In some departments it might be sensible to move towards a single centre of excellence/programme office in stages. In some cases, departments have decided to separate the programme office scrutiny function from the advisory/support function. Most departments will not be in a 'green field' situation, but all the key functions need to be in place and co-ordinated. Whatever structural solution is adopted it is crucial that a Board level sponsor is identified to champion the centre of excellence.

Departments will also need to consider the scope of the centre of excellence activity i.e. the volume of work and what type and scale of programmes it will be engaged with. Whatever its scope, a centre of excellence should not take on the role of directly managing programmes and projects. It should not disrupt the clear chain of accountability and decision-making from Ministers through to individual SROs and programme/project leaders.

KPMG Programme Management Survey 2002

The survey examined the impact of a Programme Office (PO) on project performance. Its findings support IPPD's recommendation to establish a PPM 'centre of excellence' in all departments. It found that 98 per cent of participants with a mature PO reported 100 per cent successful project delivery. This project delivery success rate reduced to 76 per cent for those with grown-up POs and to 53 per cent for those with established, but immature, POs. Eighty-seven per cent of respondents said their senior management valued the PO as integral to success. Other key findings are identified below.

There is a strong correlation between PO effectiveness/maturity and project success. The £8m average cost of project failure indicates a strong business case for building an effective PO.

Important elements of maturity are:

- developing processes, standards, methodologies and templates;
- showing the 'big picture' of work underway;
- discipline and executive buy-in;
- profile and acceptance and executive sponsorship;

- experienced project managers;
- right combination of skills in the PO; and
- education.

Ninety per cent of POs said their most important job was tracking and reporting, followed by communication and co-ordination.

Costs of running mature POs averaged 2 per cent of total project value managed by the PO whereas less mature POs cost 3 per cent.

Improvement areas identified for the future, detailed below, are in line with the centre of excellence recommendations:

- disseminating and using common standards and processes;
- increasing the use of tools; and
- streamlining reporting and improving performance metrics.

One hundred and thirty-four private and public sector organisations from around the world took part in the survey.

An executive summary and full report are available from the KPMG website www.kpmg.co.uk

Case Study – Department of Health

The Department of Health acknowledges the need to enhance its PPM capabilities and, following discussions with IPPD, established the *Supporting Programme Delivery* project.

Running until March 2003, the project maps onto the components of the 'IPPD Offer', having the broad objectives of enhancing PPM skills, delivering a PPM toolkit based on the IPPD framework, identifying suitable PPM IT support, and making recommendations tailored to the Department on establishing a centre of excellence.

The first steps have been taken to set up programme office support for each of the Delivery Priority programmes established to meet the Department's PSA targets. This includes recruitment of external PPM expertise to sit alongside each Delivery Priority Programme Manager, plus the establishment of a central programme support function within the Planning & Programmes Unit. It will ensure commonality of standards/methodology and provide support and guidance – initially to the Delivery Priority programmes, and subsequently to the wider remit of the Department.

Case Study – Department for Education and Skills (DfES)

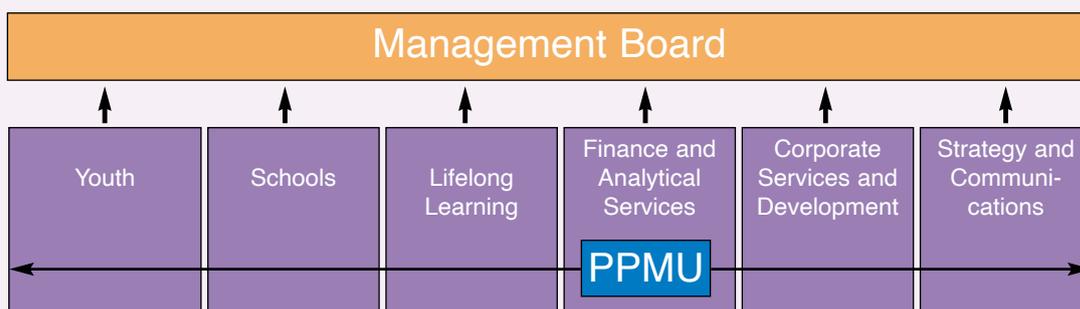
The vision for the Programme and Project Management Unit (PPMU) is to make PPM the natural way of working within DfES. The aim of the PPMU is to enable DfES to deliver its policies successfully through effective PPM. The PPMU provides the following services targeted to the Department's key policy delivery areas:

- bespoke PPM training for SROs, programme and project managers and others using PPM in the policy environment;
- advice to programmes and projects on all aspects of PPM including structuring, scoping, planning and managing programmes;

- matching service for DfES colleagues requiring project management consultancy assistance; and
- test and challenge for programmes.

It also works with others in the Department to ensure that PPM is embedded within the departmental culture and PPM skills are considered as core management skills.

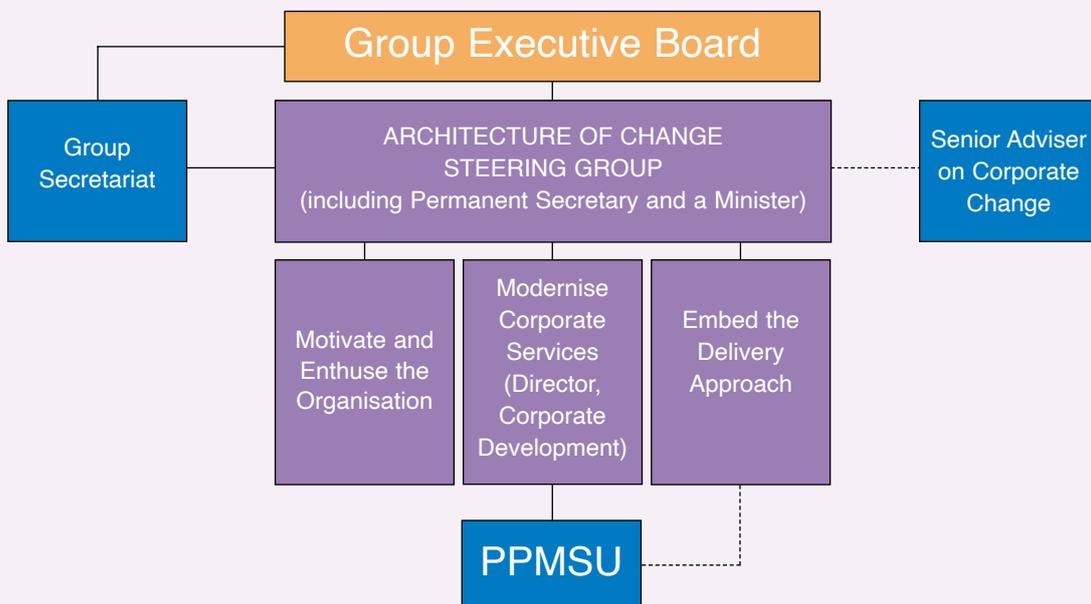
The PPMU does not directly manage the work of the departmental delivery programmes. Reporting on these delivery programmes is done through corporate planning systems supporting the DfES Board.



Case Study – Home Office

The focus of the Home Office Programme and Project Management Support Unit (PPMSU) will be:

- establishing and promoting programme management to underpin wider work on internal change, planning and corporate management;
- providing consultancy-style support to project teams and boards;
- creating and establishing a mentoring programme for SROs;
- standardisation of PPM across the Home Office; and
- developing and managing a skills database establishing internal programme management resource.



Programme Governance

Governance structures are crucial to enabling the right decisions to be taken at critical stages so that programmes and projects deliver strategic priorities and do not exceed the capacity and capability of the department. The detailed governance structure will depend on the particular circumstances of each case, but IPPD has identified simple generally applicable principles:

- for critical high risk programmes, the Programme Board should be at Management Board level, probably chaired by the Permanent Secretary;
- Programme Boards need to be sufficiently small to be effective executive bodies while ensuring that users/customers are represented; and
- SROs and sponsor Ministers need to be appointed for major programmes. The relationship between the SRO and Minister is crucial: SROs have an important role in holding frank and informed discussions on the health of major programmes with responsible Ministers.

Formalising the governance arrangements between Ministers, Programme Boards and SROs will prevent initiatives being announced

before risks and implementation options have been analysed. Ministers need to be assured that they have a direct line of

communication to the SRO accountable for each of their major programmes.

Case Study – Programme Governance in the Department for Work and Pensions (DWP)

Within DWP, the Directorate for Project Management (DPM) was established as a centre of expertise to support the largest modernisation programme ever undertaken in Europe – 17 projects costing over £200bn, plus around 165 other projects employing 3,500 staff in total. It is part of the Programme and Systems Delivery (PSD) Group which also focuses expertise on projects in Technology and IT Contracts and Commercials.

To improve delivery capability, the PSD Group Director/CIO (externally recruited) established new governance and approval arrangements. Governance is achieved

through Project Steering Committees with escalation to Programme Boards and a DWP Change Board, all of which meet monthly with senior accountable managers present and all decisions visible, all overseen by a PSD secretariat. A Gated Approval Process ensures that approval to proceed to the next stage can only be given with the consent of the SRO, Financial Director and PSD Group Director/CIO at key stages of the project lifecycle. It was essential that these processes were underpinned by professional PPM structures and common PPM standards/methodologies. Figure 2 shows the governance and approval process.

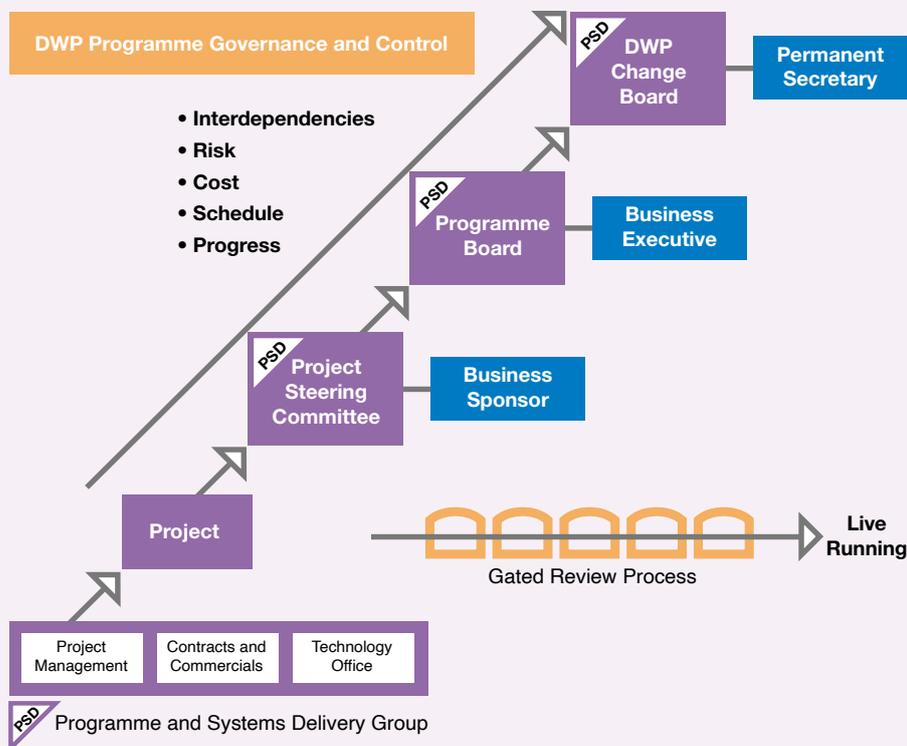


Figure 2

Improving Structures and Culture to Deliver Policy

PPM is part of the answer to improving the ‘end to end’ delivery of policy to achieve results on the ground. The full picture includes:

- ensuring delivery planning happens at an earlier stage in the policy process, so Ministerial commitments are underpinned by an understanding of the risks and challenges of delivery;
- measuring and reducing the administrative burdens on frontline staff, so more time is spent delivering outcomes, not servicing ‘the machine’. Figure 3 shows the cascade of targets, funding streams, planning and monitoring procedures that can impact upon the frontline as a result of policy targets; and

- using earned autonomy and making smarter use of levers such as targets, ring-fenced budgets, mandated partnership vehicles or requirements to produce plans, so as to give local managers scope to implement policy innovatively and in line with individual customer needs.

changed culture and incentives; with Ministers and officials knowing that delivery wins more plaudits than new announcements; injecting frontline experience into policy development; and more rigorous use of planning tools (e.g. trajectories as promoted by PMDU and risk assessment championed by OGC).

IPPD was set the challenge of ensuring more effective delivery planning took place at an earlier stage in the policy development process. Progress has been made on a number of fronts.

Second, the requirement under the 2002 Spending Review for all PSA targets to have delivery plans has led to a step change in the volume – and the quality – of planning. PPM can help ensure that better planning is matched by improved implementation.

First, research commissioned by IPPD from PA Consulting highlighted the need and desire for better informed decisions on risk and cost/benefit before policy announcements are cleared. This is already happening through a combination of

Third, OGC has been more actively supporting those responsible for the Government’s most significant programmes and projects, ensuring for example that experienced high calibre

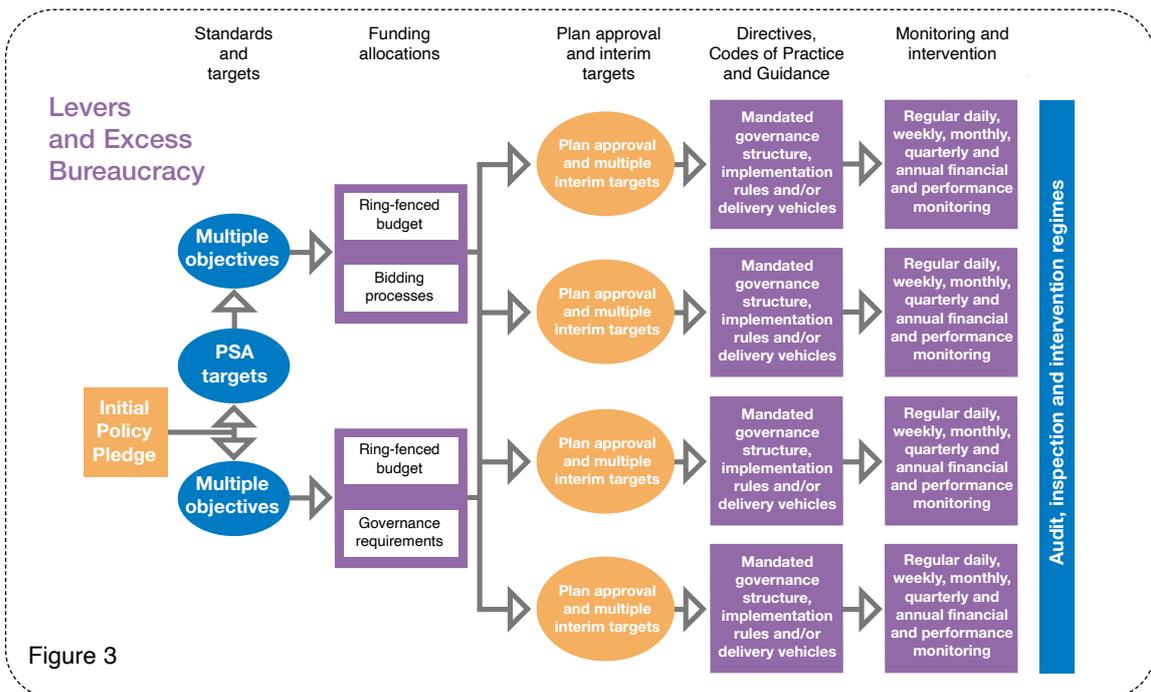


Figure 3

SROs are in place for key programmes.

Finally, the Office of Public Services Reform (OPSR), working with the Regulatory Impact Unit (RIU) and departments, has built on the IPPD work to develop a set of measures to reduce unnecessary bureaucracy on the frontline. In the Home Office, Department of Health, DfES, Department for Transport and Office of the Deputy Prime Minister,

departmental policy development processes are being reformed to include:

- **smart delivery planning** applying appropriate PPM;
- a **frontline ‘gateway’** to control the flow of administrative requirements and terminate or combine existing requirements, supported by quantified impact assessment of costs and benefits;³ and

- an effective **frontline feedback mechanism** appropriate to specific delivery.

Key Questions for Implementing PPM Support Structures and Culture

- What programmes and projects do you currently have in the department?
- Is there effective integration of policy and implementation?
- Is there the project and programme capability to meet current and planned delivery commitments?
- Do you perform risk assessment to identify the right level of Ministerial and Management Board oversight and governance? Do you have an experienced SRO for each high-risk programme?
- Are there additional policy/PSA delivery areas that you should manage as programmes?
- Where will the centre of excellence sit in the organisation and how will it relate to other internal functions? Which Board member will take responsibility for its establishment?
- What skills will you need within the centre of excellence? Do you have access to the right expertise from within or will you need external recruitment?
- How will the centre of excellence be implemented and its purpose communicated to the department, including details of support available?
- How will its impact be measured?

³ Using a tool such as the OPSR/RIU Policy Effects Framework. Contact OPSR for more information.

Other Sources of IPPD Documentation and Support

Creating Departmental Centres of Excellence
www.pm.gov.uk/output/Page5625.asp

Centres of Excellence – Core Functions Departmental Assessment
www.pm.gov.uk/output/Page5625.asp

Example Business Case
www.pm.gov.uk/output/Page5625.asp

Further guidance on Business Case development
www.ogc.gov.uk/sdtoolkit/workbooks/businesscase/buscase.html

SRO Briefing – see ‘Key Issues’ section on the OGC Successful Delivery Toolkit
www.ogc.gov.uk/sdtoolkit/keyissues.html

OGC Successful Delivery Skills
www.sds.ogc.gov.uk

The IPPD Offer Part 2: Toolkits and Processes

Departments need a clear set of tools to deliver programmes and projects. A more standardised approach within a department helps to:

- reduce misunderstandings as there is consistent use of language;
- ensure Ministers and top management receive consistent, useable data; and

- enable staff to move between projects without having to start from scratch.

The IPPD *Policy to Successful Delivery* framework (Figure 4 overleaf) offers a simple way into PPM techniques to help improve delivery. It takes users through each stage of a high-level delivery cycle, including Getting Started, Delivery Planning, Delivering and Completing.

Policy to Successful Delivery offers guidance on the activities needed during each phase. It provides advice, templates, practical examples and essential products throughout and challenges users with options to adopt as appropriate to their own circumstances. A style sheet is incorporated so the framework can be branded for different departments.

The value of the framework to departments will be enhanced enormously if it is integrated with departmental PPM

Policy to Successful Delivery is available at:

www.pm.gov.uk/output/Page5625.asp or
www.ogc.gov.uk/sdtoolkit/keyissues/getting/delivery.html

It can also be obtained on the *Successful Delivery Toolkit* CD-ROM through the OGC Service Desk: 0845 000 4999, e-mail ServiceDesk@ogc.gsi.gov.uk

training. In addition, the framework is being used as the basis for a number of CMPS training and development courses on improving delivery, in particular Programme Management for Policy Staff and Programme Management

for Fast Streamers. See www.cmpps.gov.uk.

Individual skill assessment tools e.g. those available through the OGC's *Successful Delivery Skills* framework, www.sds.ogc.gov.uk, can be

used by line managers and individuals to identify PPM training and development needs and ensure development activities are used effectively.

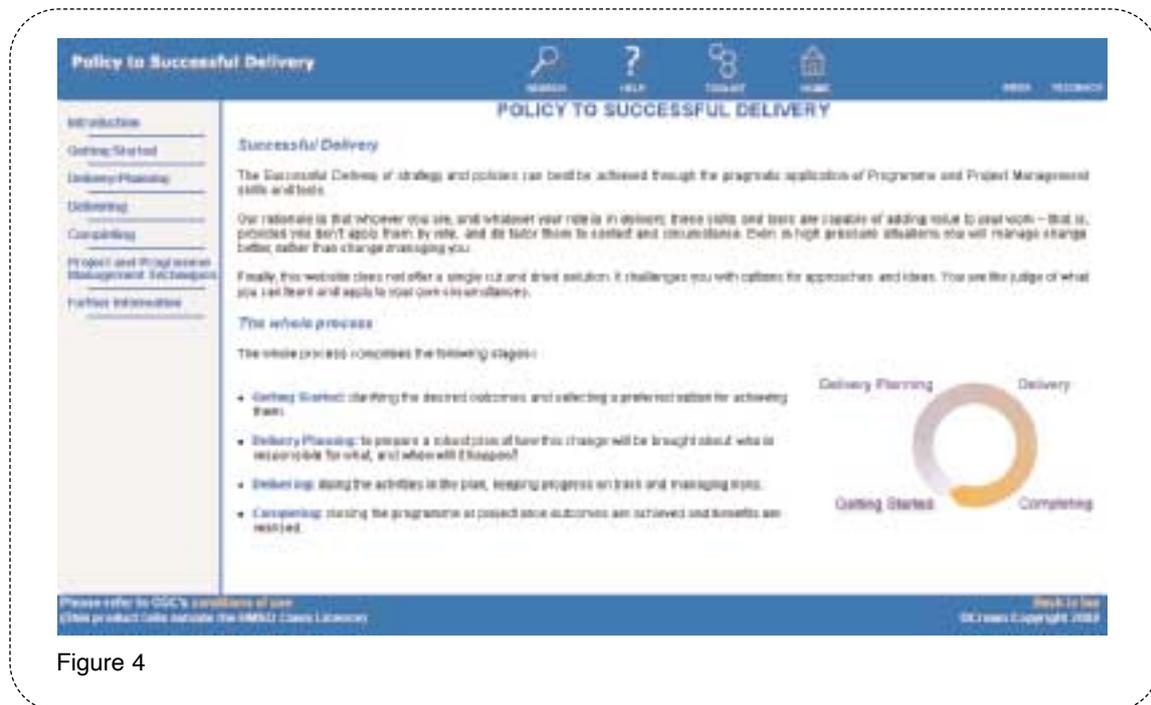


Figure 4

Co-ordinating with Other Guidance

IPPD recognised that central units were developing a number of sources of delivery guidance and took steps to ensure that they are complementary and not contradictory. The *Policy to Successful Delivery* framework is aligned with the *Delivery Planning Guidance* issued by HMT and PMDU in August 2002. It is integrated with the OGC *Pocketbook*, drawing on many of its tools and techniques. It provides the links from the policy arena to the tools and techniques in OGC's *Successful Delivery Toolkit*. Finally, it

complements the *PMDU Toolbox* by providing a PPM lifecycle approach to implementing delivery plans.

The OGC *Successful Delivery Toolkit* and *Pocketbook* are available via www.ogc.gov.uk/sdtoolkit

The *PMDU Toolbox* is available via www.pmdutoolbox.gsi.gov.uk (only for those with access to the Government Secure Intranet).

Key Questions for Implementing a PPM Framework

- Who should use the framework? Should it be made mandatory?
- How will the purpose of the framework be communicated to staff?
- What training will they require?
- How will you ensure the 'lightness of touch' is appropriate to programme/project risk?
- Will your department's centre of excellence adapt the framework to your needs e.g. by including its own procedures and models on the framework?
- How will the framework's usefulness be monitored?

The IPPD Offer Part 3: People and Skills

To get the most out of PPM structures and toolkits you need a culture that supports delivery and the right skills at all levels of the organisation. Changing the culture of large and complex organisations is a major undertaking: the steps outlined here are of course just one part of the whole transformation.

Ministers and Management Boards will want to be reassured that the department's Human Resource (HR) strategy will generate the right PPM skills to meet their business needs both within the Senior Civil Service (SCS) and below. Cabinet Office Corporate Development Group (CDG) is supporting departments to modernise their HR functions.

CMPS, part of CDG, has established a centre of expertise to provide tailored advice to help departments improve their HR strategies.

Removing Barriers to Effective PPM

During 2002 CDG pursued a number of initiatives which are helpful in promoting all skills, including for PPM.

First, in July 2002, the **recruitment** rules were changed so that departments no longer need to involve the Civil Service Commissioners directly in the majority of SCS recruitment and additional flexibilities have been introduced. CDG has also made available to departments expert support in recruitment, for example through call-off contracts with head-hunters.

To improve **data** held on people and skills CDG has gathered skills/experience profiles, for the top 150 SCS in the first instance. These are being analysed in early 2003 with a view to collecting similar information about people at Director level afterwards. Some departments are collecting and using data for their own

staff. As part of its move to project-based working, the Department for Culture, Media and Sport (DCMS) is developing a database of staff skills, knowledge, experience and interest.

At the macro level, with the help of HMT and OPSR, departments are preparing **Pay and Workforce Strategies** to ensure they have the right capabilities – including PPM skills – and capacity in place to reform public services and deliver the PSA targets. CDG is leading on the workforce strategy for the Civil Service.

Research commissioned from Towers Perrin by OPSR and CDG examined perceived HR barriers to recruiting, rewarding and deploying staff to generate the right PPM skills to meet business demands. The findings – some of which were discussed with Personnel Directors in October 2002 – were broadly that:

- flexibilities already exist within the current rules – e.g. over pay and bonuses, and promotion in post – the key is to exploit them;
- there is room for greater professionalism in our recruitment approach e.g. pooling resources and improved candidate handling;
- there is a serious shortage of data about individuals' skills and insufficient connection between predicted business needs and workforce strategies, both in departments and centrally; and
- delivery is still not sufficiently valued in the Civil Service culture in comparison with policy-based work. There is insufficient career management for PPM experts and too few senior role models.

CDG, OPSR and OGC have responded to the new issues highlighted by this IPPD research. To provide HR support to PPM specialists and relate performance management and associated direct and indirect rewards attached to delivery roles, OGC and CDG are developing parallel strategies to:

- establish a **PPM specialism** under Peter Gershon, Chief Executive, OGC. This will provide focused help, advice and support for PPM experts to develop their skills and careers, with the expectation that PPM becomes second nature to the Civil Service and that talented programme and project managers advance to the highest ranks of the SCS. Collating information centrally on specialists could facilitate better exchange of people and learning between departments. The specialism will be taken forward from April 2003;
- inculcate **PPM skills across the wider SCS** as part of mainstream delivery competences. As a foundation, a matrix of PPM roles and corresponding SCS behaviours and key skills has been developed. It is intended to guide members of the SCS entering the PPM environment and will form part of the information required to establish parameters to help in the recruitment (internally or externally) of people with these valuable skill sets and inform performance management and pay.

For example, CDG's review of the Job Evaluation for Senior Posts system, to be completed by March 2003, will help to ensure PPM roles and responsibilities are reflected in SCS job weights. Depending on the nature and scale of the programme or project in question, these roles and skills may sometimes apply to staff at grades 6 and 7.

The roles are:

- Investment Decision Maker (IDM);
- Senior Responsible Owner (SRO);
- Project Sponsor;
- Project Manager; and
- Project Reviewer.

The framework will help departments build their SCS skills base and can be used to underpin development, performance management, recruitment and deployment.

Further Information

CMPS Centre of Expertise

sheena.matthews@college-cmps.gsi.gov.uk, or
richard.williams@cabinet-office.x.gsi.gov.uk

Towers Perrin reports

www.pm.gov.uk/output/Page5625.asp

PPM Specialism

chris.howard@ogc.gsi.gov.uk

SCS Roles and Skills

Tony.Betts@ogc.gsi.gov.uk or richard.williams@cabinet-office.x.gsi.gov.uk
or visit www.pm.gov.uk/output/Page5625.asp

Training Needs Analysis

To understand the gap between existing delivery skills and those needed to meet business needs, departments may need to conduct a Training Needs Analysis. This should result in

an integrated plan to fill skills gaps and meet development needs. Development plans can be drawn up for individuals, project teams, key staff groups or the whole department, helping to build capacity.

CMPS can help with designing and conducting a needs analysis, as well as designing tailored training solutions and helping you ensure the training is applied and evaluated.

For more information on Training Needs Analysis contact
sheena.matthews@college-cmps.gsi.gov.uk

Case Study – Home Office Training Needs Analysis

In Autumn 2002, the Home Office and CMPS undertook a high level analysis of its PPM skills needs and related issues, in two Directorates – Immigration and Nationality, and Anti-Drugs Strategy.

Findings recognise that there is wide variation in PPM-related activity, awareness and understanding and whilst much has been achieved there is a need for:

- a dedicated PPM strategy to support directorate business plans;
- PPM seminars for all staff to raise awareness, focused on priority business targets;
- targeted in-depth PPM training and support for project teams, priority groups and SROs, improving learning and common understanding through debate and the application of PPM concepts, tools and techniques to work issues;
- development of in-house capability to provide PPM consultancy expertise;
- a detailed skills audit of priority posts within directorates and the establishment of a PPM skills register to identify levels of knowledge, skills and expertise for key groups;
- the development of stronger links with the Home Office's PPM Support Unit, Opportunities, Training and Development Unit, HR and IT; and
- the development and maintenance of links and networks with other government departments.

Further information on this work can be obtained from martin.o'connell@homeoffice.gsi.gov.uk and david.lawton@college-cmps.gsi.gov.uk

Case Study – Department for Culture, Media and Sport

Under the banner of its *Touchstone* change programme, DCMS is implementing changes to embed a project-based working culture across the Department.

CMPS was commissioned to equip all staff with the PPM skills required to work in a project-based culture. The training programme includes a specially designed course *Think:Project!* that CMPS developed to cover the application of end-to-end PPM from policy through to delivery and includes strategic commissioning with the DCMS-sponsored bodies.

As a part of the commission, CMPS has adapted the IPPD *Policy to Successful*

Delivery framework specifically for DCMS. The model applies PPM principles for each stage of the project lifecycle, asking generic and specific PPM questions tailored to DCMS's work. It also provides links to the DCMS intranet enabling users to pull down templates for project planning, monitoring, reporting etc. and will be accessible to the whole department.

In addition to the CMPS commission, DCMS is also developing a database of staff skills, knowledge, experience and interest, implementing DCMS-specific PPM training and effecting the necessary culture change.

Further information on this work can be obtained from jon.zeff@culture.gsi.gov.uk and ramesh.dholiwar@college-cmps.gsi.gov.uk

Case Study – Innovation – Home Office PPM workshops

Following on from its key role piloting and developing the SRO Masterclass with OGC and CMPS in 2002, the Home Office is creating bespoke workshops on:

- risk management;
- stakeholders and communication; and

- business cases and benefits realisation.

Workshops are for individual SROs and project teams. As well as being educational they help project teams to produce unique project management regimes.

For more information contact pauline.griggs@homeoffice.gsi.gov.uk

Skills Development

Training and development are useful building blocks but it is the experience of doing things that transforms capability. So, for example, PPM delivery roles are now a required part of fast streamers' postings. The thrust of training and development is changing: to provide more on-site, project specific workshops and events to solve real business problems, not just give theoretical grounding.

Improved delivery requires enhanced skills at all levels in departments. Leadership from the top is crucial but so is the availability of skilled and confident PPM staff outside the SCS. The remainder of this section outlines some of the training and development offerings currently available.

SCS Training and Development

A 'menu' of existing and planned training and development opportunities, matched to the roles and skills, will be available in summer 2003. Programmes

are being constantly developed and updated. Examples include:

- *Leading for Delivery* – five-day programme focused on a delivery case study investigating best practice in delivery leadership;
- *Introduction to Corporate Leadership* – five-day leadership programme for new members of the SCS with a strong emphasis on the use of PPM and other delivery techniques;
- *Developing Top Management* – ten-day leadership programme covering all the aspects required of leaders in the delivery environment including a strong programme leadership module; and
- *SRO Masterclass events* – developed and piloted with the Home Office to allow you to explore the issues with an experienced SRO and build a peer network.

Many of the Corporate Programmes utilise simulation exercises, for example the Project Management Challenge; SRO simulation modules on the Corporate Programmes; and various modules in the Delivery Skills suite of training which will be available for SCS in 2003.

Improved PPM Training for non-SCS

Many of the crucial posts and roles in programme and project delivery are non-SCS. Departments need to encourage delivery skills at all levels of the organisation.

OGC's Successful Delivery Skills Framework

Departments should adopt the benchmark standards for PPM skill levels set out in OGC's *Successful Delivery Skills* (SDS) programme. The programme, designed to improve delivery skills for staff below SCS, has been developed incorporating feedback from the lessons learned through the OGC Gateway process. It aims to help departments to plan

skills development more effectively and individuals to identify development needs and build their skills in an organised manner. Training is available through the SDS scheme run by ASTUTE and managed by OGC.

Those emerging through the SDS programme will receive a Skills Passport which will accredit individuals to the benchmark PPM roles and responsibility levels. The SDS benchmark skills levels will eventually be incorporated into PPM job specifications and recruitment requirements.

The components of SDS are:

- *The Skills Framework* – detailing the 26 skill areas and their detailed subject content considered essential as the minimum benchmark standard;
 - *The Maturity Matrix* – setting out a benchmark level for each skill area set against a range of common project roles;
 - *A Skills Analysis Tool* – enabling departments to establish the current skill levels of their staff and identify where improvements could be made;
 - *A Supporting Training and Development Scheme* – using best-in-class training suppliers, available for departments to access via a framework contract;
 - *The Successful Delivery Skills Passport Scheme* – enabling participants to maintain a record of their achievements and departments to identify expertise; and
 - *A Programme of Continuous Professional Development* – ensuring participants' skills are kept up to date and/or extended.
- CMPS Training on PPM*
The improved supply of PPM training from the CMPS Civil Service College includes:
- Programme Management for Policy Staff: designed for policy staff involved in managing the development and delivery of complex policy initiatives;
 - Programme and Project Support Office: for those looking to establish a new, or re-align an existing, support office;
 - Programme Management for Fast Streamers: designed to give an appreciation of the tools and techniques involved in programme management, as applied to the delivery of complex policy initiatives;
 - Managing Successful Programmes (MSP): for programme owners, managers and team members wishing to demonstrate their ability to apply OGC's MSP guidance by sitting a professional examination; and
 - the SRO Masterclass, which may also be relevant where a programme's SRO is below SCS.
- Other Sources of Training*
PPM training is available from other sources. The Association of Project Management Group Limited (APMG) has worked in partnership with OGC to deliver practitioner training through Accredited Training Organisations and approved trainers, based on OGC best practice and operational guidance in PRINCE2, Managing Successful Programmes and the Management of Risk.
- APMG also provides Registered Consultants qualified to assist organisations in the introduction of this guidance. These schemes are being expanded by OGC to provide increased support for the establishment of centres of excellence in departments. For example, the Chartered Management Institute qualification will provide a framework of qualifications for centre of excellence staff.

Further Information

CMPS training and development opportunities for SCS

www.cmps.gov.uk

richard.williams@cabinet-office.x.gsi.gov.uk

CMPS SRO and PPM simulation training

ramesh.dholiwar@college-cmps.gsi.gov.uk

Support for Successful Programme and Project Management booklet for SCS

www.pm.gov.uk/output/Page5625.asp

Successful Delivery Skills

www.sds.ogc.gov.uk

chris.howard@ogc.gsi.gov.uk

www.managed-l.com/ogc.htm – training from ASTUTE

CMPS PPM training for all staff

www.cmps.gov.uk

Key Questions for Improving Skills and Capacity

- Do you understand your current departmental PPM skills base and the skills required to deliver your business?
- Are you using the benchmark standard for PPM skills assessment as specified in the SDS Programme?
- What measures does your department take to ensure staff have access to experiential learning and development on the job?
- Does your department's training provision cover PPM sufficiently? Could you make more use of the tailored products CMPS can provide?
- Have you got the right people assigned to your most important projects?

4 Common Problems and Overcoming Them

Project success can be predicted on the basis of risk against capability to commission and manage the project. With low capability and high risk, the chances of success are less than 10 per cent. The KPMG Programme Management Survey 2002 shows that where there is a strong programme office function the project failure rate reduces from 80 per cent to 20 per cent. The Office of Government Commerce (OGC) is pushing to reduce project risk through an approach to commissioning and managing projects that scales back size and complexity and avoids 'big bang' approaches.

Reducing risk also involves learning from past mistakes. This section describes some commonly encountered problems and possible solutions.

Using Programme and Project Management in the Policy Environment

What is the Problem?

In the past, policy making has been seen as too inward-looking, with more emphasis on policy advice and

legislation than on implementation, and little or no link between policy development and implementation. This view is already long out of date: there is near universal pressure to improve policy making and deliver high quality services to make a material difference to people's lives. Programme and project management (PPM) is a proven means of increasing your chances of effective delivery. But sometimes there can be reluctance to adopt PPM because it is stereotyped as difficult, unnecessarily bureaucratic, a constraint on innovation and insufficiently flexible to cope with the reality of a political environment.

What is the Solution?

Research commissioned by Improving Programme and Project Delivery (IPPD) and CMPS in 2002 shows that there are many examples across government where PPM is being used to facilitate effective policy making and implementation. The research examined five case studies and drew out good practice as identified by the practitioners themselves.

An overriding message from the research was that the rigid application of PPM will not work. Rather, the key to success is to apply the guiding principles of PPM intelligently to avoid excess bureaucracy. As a general rule, the more complex the policy and larger the scale of the task, the greater the degree of formal PPM was applied.

According to people in departments already using this approach, the benefits of PPM are that it:

- helps to manage complexity and uncertainty – two common characteristics of the policy-making process. For example, the discipline of compiling a risk register and recording key risks in a Project Initiation Document can provide a well-informed basis for early discussions with Ministers about risks and benefits of different policy options;

The full report and summary findings are available at www.pm.gov.uk/output/Page5625.asp



- means planning and communication are stronger, decisions are recorded, roles are articulated; stakeholders and their interests are identified, risks are managed and dependencies are made explicit;
- provides a better evidence base for submissions to Ministers – especially for risk assessment, resource allocation and timetables for delivery;
- contributes to organisational change, to the motivation, job content and career paths of individuals and to the learning and intelligence of the organisation; and
- forces foresight into the policy process, ensuring end-to-end policymaking, where implementation and delivery are considered from the start with stakeholder and frontline involvement.

Managing Programmes Across the Line

What is the Problem?

Government departments are traditionally structured 'vertically', with each line-management chain of command having direct control over staff and budgets. But almost without exception, programmes and projects require 'horizontal' work across internal and external departmental boundaries.

What is the Solution?

Effective cross boundary project working enables complex interdependent tasks to be broken down into manageable elements. Key principles of effective management across the line were discussed at an IPPD workshop, with senior staff from 12 departments, in September 2002. They are set out below.

Governance – Programmes need formal governance structures that work for all parties involved, considering accountability, roles and responsibilities, communication/reporting lines, guidelines for decision-making and conflict resolution.

Practical steps that have helped in departments include:

- securing leadership from the top;
- piloting formal governance systems in one or two projects;
- getting buy-in to the principles of PPM rather than issuing over-prescriptive guidance; and
- communicating clear structures for accountability, resource allocation and for identifying, escalating and resolving differences of view.

Accountability and resource

allocation – Horizontal management requires strategic decisions to be made at a higher level based on overall departmental priorities. For example, divisional or unit heads may be required to free up their 'own' resources to contribute to a cross-cutting outcome. Getting the incentives right and agreeing collaborative objectives are important to ensure managers and teams work fruitfully together.

Practical steps include:

- recognising and rewarding collaborative behaviour e.g. sharing resources and responsibility; and
- engaging partners from the delivery chain in planning to ensure that plans are robust and that focus is always on delivering the outcome, not just writing the plan.

Roles and responsibilities

– need to be clearly delineated to enable individuals and teams to understand how their day-to-day outputs contribute to the achievement of a larger, more complex outcome. Clarity on desired outcomes and individual team roles also highlights interdependencies that require effective co-ordination with others to achieve their aims.



Practical steps that have helped in departments include:

- robust action plans, agreed and owned by all participating units/ departments to crystallise organisational objectives and individual responsibilities; and
- early communication between the frontline and departments to mobilise enthusiasm and ensure engagement.

Performance management –

In a formal matrix structure, individuals have two managers: a ‘line manager’ responsible for their development, appraisal and career development; and a project/programme manager, who manages their day-to-day workload.

A practical step that has helped departments run these arrangements effectively is:

- a robust appraisal system to ensure that individuals’ contributions to a range of projects are captured, with recognition for co-operative behaviours that enable delivery.

Further information on managing programmes across the line is available on the OPSR GSI website www.cabinet-office.gsi.gov.uk/opsr/progdelivery.htm



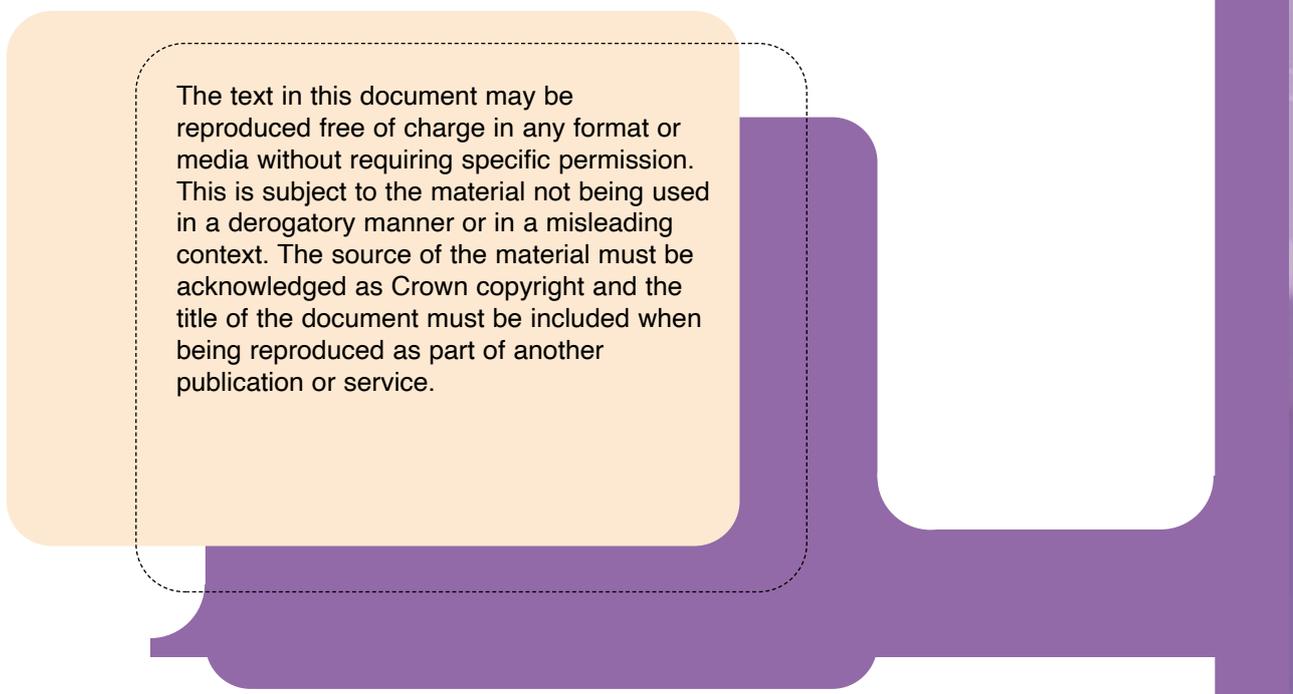
Office of Public Services Reform
22 Whitehall
London SW1A 2WH

Tel: 020 7276 3600
Email: opsr@cabinet-office.x.gsi.gov.uk
Website: www.pm.gov.uk/opsr

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