

Project Governance

Insights from Project X

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Project X

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60+ academic publications – multiple lens on project performance

40+ journal articles
and book chapters
(34 articles
published in Q1
journals)



UK, European and
global audiences



20+ academic
conference papers



Research using
multiple lenses on
project performance
published in project
management
journals and broader
management journals



Operations
management and
supply chain



Leadership,
governance, and
decision-making



Knowledge
management



Risk and control



20+ government, industry, and professional association reports – multiple practice-focused project performance topics



Capabilities



**Project
governance
and leadership**



**Health, safety
and wellbeing**



**Project benefits
and benefit
realisation**

Project Governance



Project Controls
EXPO
London, UK

Corporate Governance

- Corporate governance is the system by which companies are directed and controlled
- The purpose of corporate governance is to facilitate effective, entrepreneurial and prudent management that can deliver the long-term success of the company.

<https://www.icaew.com/technical/corporate-governance/principles/principles-articles/does-corporate-governance-matter>



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Entrepreneurial &
Prudent

Effective
Not Efficient

Long-term success

<https://www.icaew.com/technical/corporate-governance/principles/principles-articles/does-corporate-governance-matter>



APM definition of governance (APM BoK8)

Governance is the system by which the organisation and its portfolio, programme and projects are directed and controlled.

The objective of governance is to ensure appropriate management of activities.

Governance must therefore facilitate entrepreneurial activities whilst balancing these with the judicious use of resources in the furtherance of delivering the longer-term success of the project, programme or portfolio, and the parent or commissioning organisation.



Governance of policy execution

	Project Management Control	Control of Implementation	Control of Direction
Purpose	Ensure the project is implemented as planned	Ensure clarity of purpose, align project objectives to deliver to intended outcomes and benefits	Agree intent, set direction, monitor assumptions, react to stakeholders, learning outcomes and environment
Process	Set targets, measure, monitor progress, take corrective action	Review project plan for alignment with outcomes and benefits, set targets, measure, monitor progress, take corrective action	Managing decision making: translate policy into project deliverables, manage political process, monitor, interpret and respond
Focus	Implementation in all its detail	Alignment of project with intent, key success factors	Outcomes and benefits, learnings, opportunities and threats

Project X example

Developing the practice of governance



- **Mike Bourne**
 - Professor of Business Performance, Cranfield University
- **Martin Parr**
 - Honorary Professor, University of Kent

Types of project

Degree to which solution can be specified

Unknown

24-hour news



gourmet



Lost in the fog habits



health



Known

Painting by numbers



fast food



Going on a quest school food



Known

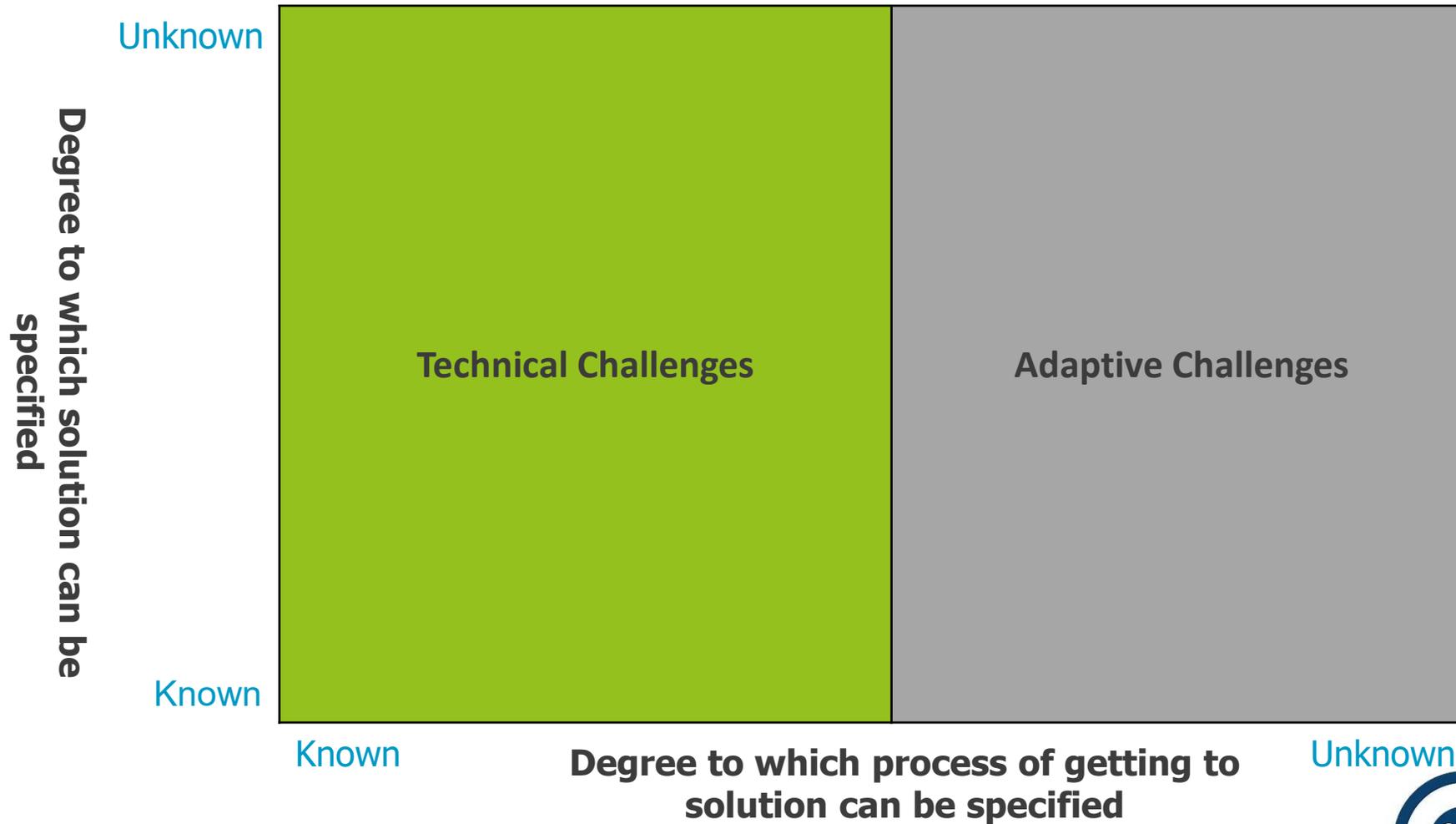
Degree to which process of getting to solution can be specified

Unknown

Adapted from : New Rules for a New World (Obeng)



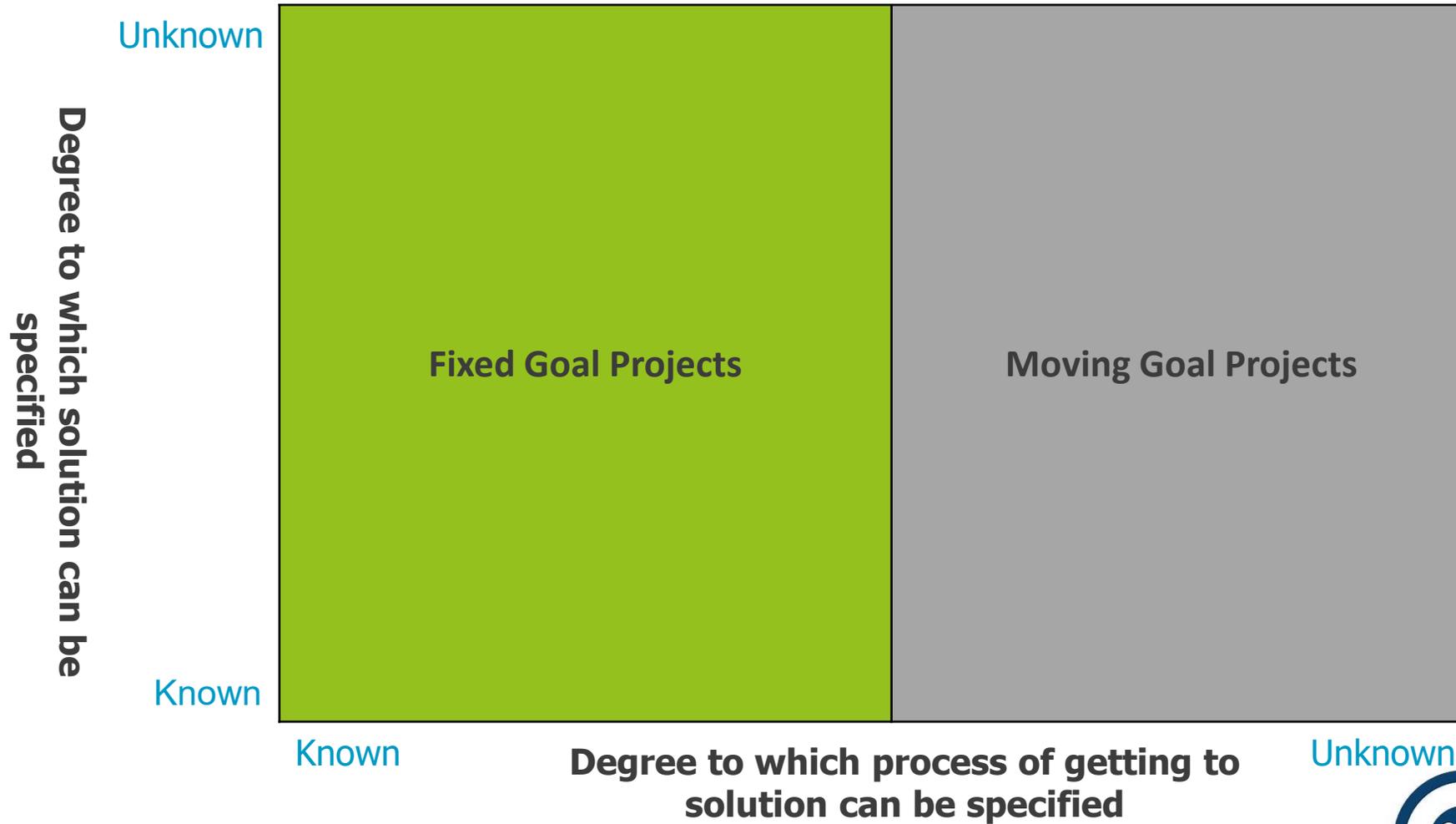
Leadership work



Adapted from : New Rules for a New World (Obeng)



Leadership work



Adapted from : New Rules for a New World (Obeng)



Projects phases and focus

Initial Phase	Delivery Phase	Operate Phase
Concept to business case approval	Business case to Operate	



Projects phases and focus

Type of Project	Initial Phase Concept to business case approval	Delivery Phase Business case to Operate	Operate Phase
Fixed Goal			
Moving Goal			

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Type of Project	Initial Phase Concept to business case approval	Delivery Phase Business case to Operate	Operate Phase
Fixed Goal	Focus on detailed planning, risks, uncertainties and clarity of end goals	Focus on the balance between Project Delivery, Project Implementation and Project Results	Evaluate the project in terms of both efficiency of delivery and effectiveness in achieving outcomes and benefits
Moving Goal			

Projects phases and focus

Type of Project	Initial Phase Concept to business case approval	Delivery Phase Business case to Operate	Operate Phase
Fixed Goal	Focus on detailed planning, risks, uncertainties and clarity of end goals	Focus on the balance between Project Delivery, Project Implementation and Project Results	Evaluate the project in terms of both efficiency of delivery and effectiveness in achieving outcomes and benefits
Moving Goal	Focus on the broader business plan, uncertainties, unknowns, possible project journeys (including indicators of unacceptable risk creep) and desired end-state goal.	Focus on the Evolution of Project Delivery, Project Implementation and Project Results. Ensure that the current risks are reviewed regularly and tested against the unacceptable risks developed in the initial phase.	Evaluate the project in terms of effectiveness in achieving outcomes and benefits



Initial phase recommendations (concept to business case)

- **Fixed goal**

- Detailed business planning with scheduling and costing
- Risks with risk mitigation
- Uncertainties with range estimates
- Definition of future state with clear measures of success

- **Moving goal**

- Broad business plan with ranges of timescales and costings
- Risks with potential risk mitigation where appropriate
- Uncertainties with range estimates
- Unknowns with discovery and learning activities and objectives
- Predefined criteria for halting the change project and initiating independent review before continuation or abandonment
- Phased delivery paths, possibly with intermediate deliverables and review points
- Description of future state with indicators of success



Initial planning governance questions

- Are the appropriate leadership and oversight practices in place?
- How good a fit is the proposed project approach and outcomes with strategy?
- Has the feasibility study been done to an appropriate level of detail and informed by individuals with the requisite expertise?
- Has a soft analysis been undertaken and informed by individuals with the requisite expertise?
- Has a determination been made on whether this project should be classified as fixed or moving and was the determination informed by individuals with the requisite expertise?
- Has the identification of risks been done satisfactorily and has this work been informed by individuals with the appropriate expertise?
- Have the alternative delivery approaches been suitably identified and evaluated and has this work been informed by individuals with the appropriate expertise?
- Has the identification of the preferred approach been justified and has this work been informed by individuals with the appropriate expertise?
- Have stakeholder benefits been identified and have stakeholders been appropriately consulted over the approach and the expected benefits?
- Is the business case complete and is it appropriate for the type of project being proposed?



Delivery phase recommendations (Business case to operate)

- **Fixed goal**

- Governance of fixed-goal projects should enable managers to take appropriate and timely decisions.
- On occasions, external events can change a fixed goal project to a moving goal project and leaders and managers need to have an eye open for this.

- **Moving goal**

- Governance of moving-goal projects should enable managers to have the flexibility to navigate towards the current view of the ultimate goal.
- The focus of governance will probably need to change over the lifecycle of a moving goal project



Delivery phase questions

- **Fixed goal**

- Are the risks being identified and managed appropriately?
- Are the uncertainties being reduced?
- Is the project being delivered efficiently?
- Is the project implementation being delivered effectively?
- Are the intermediate deliverables being implemented and used effectively resulting in the expected benefits being realised?
- Are the planned outcomes and benefits still deliverable?

- **Moving goal**

- Does the change project still have clarity of purpose?
- Do these outcomes and benefits direct the change project delivery and implementation?
- Are the intermediate deliverables being implemented and are they used effectively; as a result, are the expected benefits being realised?
- Are the discovery and learning activities effective?
- Are the risks being identified and managed appropriately?
- Are the uncertainties being reduced?
- Is the change project implementation being delivered effectively?
- Is the change project delivery well managed?



Operate phase recommendations

- **Fixed goal**

- Leadership should facilitate a smooth transfer into operations
- Fixed goal projects should be evaluated on the delivery of results and the efficiency of delivery

- **Moving goal**

- Leadership should facilitate a smooth transfer into operations
- Moving goal projects should be evaluated on delivery and a final evaluation of outcomes for the costs incurred (and not on efficiency).



Operate governance questions

- **Leadership**

- Are the appropriate leadership and oversight practices in place for operation?

- **Outcomes and benefits**

- Are the project outputs delivered in line with expectations?
- Was the handover conducted appropriately?
- Was the operating department prepared for the project handover?
- Did the operating department embrace the project and aspire to achieve the outcomes and benefits?
- Does the operating department have mechanisms in place to guide and track the continued delivery of benefits from this project?

- **Learning**

- What was learnt during the delivery of the project?
- What was learnt during the implementation of the project?
- What were the unintended consequences arising from the project?
- What was learnt about the delivery of outcomes and benefits?
- With hindsight, was the project worthwhile, and if not, what should be learnt for the future?



Summary

- Fixed and moving goal projects are different and so require different governance approaches
- Fixed goal projects should be evaluated on the delivery of results and the efficiency of delivery.
- Moving goal projects should be evaluated on delivery and a final evaluation of outcomes for the costs incurred (and not on efficiency).



Thank You

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