



# How to Manage a Project: Part 4

## Governance

Governance is the term given to providing oversight on a project. Governance processes ensure that the project is performing as expected: so it covers setting targets around what is expected and checking up that the project is achieving them.

The main way that this happens is via the Project Board meetings. The project sponsor and the rest of the project board can hold the project manager to account during these meetings.

In this guide, we'll look at:

- What governance is
- Why it is important
- What it looks like
- Project boards
- Your project sponsor, especially starting that relationship off well
- Why governance processes might not be working and what to do about them.

## The TL;DR\*

Governance is basically oversight. It means that there are processes in place to check that the work is progressing as expected and everything is going to plan. Governance helps you spot when things start to go awry, so you can quickly move to do something about it.

- The project sponsor is responsible for governance, although the project manager does most of the tasks that need 'governing'
- The project board is the main way for ensuring the project is on track. Reporting and project assurance are other ways
- Set up an effective project board
- Build effective working relationships with your project sponsor
- Only use processes that are fit for purpose.

\* Too Long; Didn't Read



# What is Governance?

APM defines governance as:

the set of policies, regulations, functions, processes, procedures and responsibilities that define the establishment, management and control of projects, programmes and portfolios.

Source: <https://www.apm.org.uk/body-of-knowledge/context/governance>

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## Why Bother With Governance?

Once you've been managing projects for a while, you'll 'do' governance without even realising it. If you are in a company with mature project management processes, governance will be baked in to how you are expected to work. Eventually, you won't spend much time thinking about governance at all – unless you notice it isn't there.

However, there are very good reasons for taking the time to ensure governance is happening on your project:

- It provides scrutiny and challenge; it keeps people honest
- It ensures return on investment, because people are checking that the business case benefits will be achieved
- It offers the right levels of structure and accountability
- It enables quality decision making through good data
- It allows for effective management of risk and project delivery
- It provides policies, processes and standards to support good practice.

## What Does Governance Look Like?

Governance can feel like a theoretical concept. To make it more real, here is what governance practices look like on a project:

- There is a project life cycle with defined stages; the project work is reviewed before moving on to the next stage
- The outcome of reviews is recorded and communicated
- There is senior buy-in for the life cycle process (even if that simply means your project sponsor, if project management processes aren't mature in your organisation)
- There are clearly defined roles and responsibilities on the project
- Your project has a Project Board or Steering Group
- There is regular reporting of project progress to the people who care



- You do risk and issue management
- You manage changes on the project effectively
- There's a way that senior leadership can request a detailed review of a project they think might not be meeting its objectives, and a way for that project to be reviewed once a review has been requested (by someone who is not the project manager)
- There is a culture of continuous process improvement
- There is open and honest sharing of information about project performance, and people are not worried about saying their project is failing because they know they will be supported in putting it right
- Decisions are delegated to an appropriate level
- Projects have business cases that are reliable
- People working on the project are adequately experienced to do so.

These points don't have to be super formal. For example, your Project Board might be you and your manager. Apply 'governance' at the right level for your project – smaller projects can manage with fewer formal oversight and review processes than projects committed to spending millions of public money, for example.

## Who is Responsible for Project Governance?

Technically, the project sponsor is responsible for governance. In practice, it's the project manager who will do most of the things that are 'governed' e.g. setting up Project Board meetings, assuring the project is on track, doing accurate reporting etc. The sponsor's role is then to assure him/herself that these things are being carried out and therefore the project will deliver as expected.

Every so often, projects are subject to **project assurance**. This is where someone outside of the immediate project team checks that the governance practices are being followed and reports back to the sponsor.

## Governance in More Complex Project Structures

Where you've got third parties or programmes to consider, governance becomes a bit more complicated.

I interviewed Richard Heaslip, author of *Managing Complex Projects and Programs: How to Improve Leadership of Complex Initiatives Using a Third-Generation Approach*, and he shared some interesting points on how to make governance work in these situations.

He said:

"Governance models depend critically on project and programme needs. I would recommend that the best model is one that enables project managers, program managers, and executives to effectively and efficiently manage the uncertainty and complexity that their projects and programs must face.

"For some organisations, that is a simple "two-party" model that is involves a governance committee (with its executive sponsor) and the project or program manager. Together, they manage all the interactions required to execute a project or program effectively.



“For other organisations, however, it requires something more elaborate—a “three-party” model in which project managers lead in the management of operational issues, program managers lead in the management of outcome-based issues, and executive management leads in the management of business issues. In three-party models, each of the managers may need to interact with a whole mess of subcommittees and stakeholders in different but coordinated ways. The development of effective three-party systems is reasonably new—it is described in my book as a “third-generation” approach to project and program management.

“I am encouraged by the results achieved by organisations that have introduced three-party governance models to manage complex projects and programs. I know of several examples of pharmaceutical companies that have been successful in using them for new drug development. Their approach has been to develop and deploy two distinct kinds of professional “project” managers: traditional project managers who are principally responsible for ensuring that work is managed efficiently and effectively (on time, on budget, and to specifications), and program managers who focus more on the need to continuously adapt to what is learned as the work proceeds.

“In their models project managers have more traditional project management training, while program managers often have medical or scientific training. Working together they are very effective in ensuring that teams pursue innovative strategies in a highly efficient and effective way.”

## Project Boards

A Project Board is the main way that regular governance happens on a project. They are the oversight committee of a project. You might use the term Project Steering Group or Governance Committee, or something else that means a similar thing. All projects should have one, but the make up of the group depends on your project. It's generally acknowledged that having strong leadership is important for project success, so getting your Project Board set up as soon as you can is a good start.

Here's an introduction to project boards as part of the governance framework so you can get yours set up and working on your project.

### The Members of the Project Board

The objective of the project board is to provide executive oversight and governance for the project. In other words, they take the tough decisions. They let you know whether you can go overspent or what risk mitigation actions are the right ones for this point in the project. If you can't deal with a problem yourself, you can take recommendations to the project board and they will be able to resolve it for you.

With that in mind, the people on the project board need to be relatively senior people, with the authority to make decisions and allocate resources. Your project sponsor should be the chair person. Then you should be on the project board as the project manager.

In addition, you should add anyone else who has a significant vested interest in the way the project is run and the decisions that are taken. Examples would be:



- A vendor account manager
- The key customer or their representative, especially if this is a senior manager from another internal department
- A finance or legal team member, if the project has significant impact in those areas
- Someone like an Operations Director, if the project is going to change the way the Operations area of the business is run through the introduction of a new frontline process, for example.

In every case, you should have people on the group who understand the project (or who can be brought up to speed) and who have influence and interest in the outcomes.

## How Often to Meet

The group is a key part of your project governance framework. They can meet as often as you like. If you don't know where to start, a monthly meeting is a good idea. On some projects it's necessary for that group to get together fortnightly. On others you could find a quarterly meeting is more than adequate.

You can always change the frequency of meetings once the project is up and running and you know how much time is appropriate to spend keeping the project on track. A high-risk, innovative project using untested processes will need more 'check ins' than a project using tried-and-tested approaches being run by an experienced project manager.

For example, in the early days you might want fortnightly meetings. Once everything is under control and everyone is confident that you are running in a stable state, you could drop meetings to every other month. Then introduce monthly meetings as you are nearing delivery.

It's also useful to time meetings around significant other milestones. For example, hold the meeting the week before you need approval to send out training material, or similar, so that the project board can make the decision there and then.

## Format of Project Board Meetings

You can decide on the best format for your meetings. Face-to-face meetings are the most effective, as with all types of meetings, but it's not always possible to do that. You might want to have a conference call line open so that people who aren't present can join the meeting on the phone.

Or you might want totally virtual meetings – if that fits the culture of your business, go for it. It is certainly cheaper and easier than trying to get your senior leaders together in a room!

Start out by booking your meetings as an hour – no one really likes to be tied up for longer than that and your attendees are busy people with packed diaries.

However, be guided by the length of time it is taking to get through your agenda and alter the format and duration of the meetings as appropriate.

In some cases you might decide that an hour and a half is a better time. If you know there isn't much on the agenda, you can get away with 45 minutes, then do that! Everyone will be grateful to get a bit more time back in their day.



## Content of Project Board Meetings

First, get a meeting agenda so that everyone knows the topics in advance and can prepare. Your agenda can be a standing format meaning that you cover the same topics every time the group meetings. Then you can add extra items in if necessary.

As a minimum, you should expect to cover these points in the meeting:

**Project progress.** While the project board are unlikely to want to go through the project plan in detail, make sure that you have access to your schedule during the meeting so that you can call up any task and provide a detailed update as required. You probably won't need to do this, but the meeting that you aren't prepared for is the one where your sponsor will want real time information about task tracking!

**Budget position.** Senior leadership is always interested in how much money has been spent! Make sure you can present a summary of the project's expenses.

**Action updates.** Go through the actions from last time and check that progress is being made.

**Risks and issues.** The project board doesn't need to know about every risk and issue, but highlight the important ones that you think they should be aware of.

**Key decisions.** If you are expecting the project board to make a decision at the meeting, make sure that they have information in advance of your meeting so that they can review the different options. If you have put forward a recommendation, they'll want to see that as well. No one wants to feel put on the spot, so let them have time to think about what decision they want to come to, and use the meeting to finalise that, rather than spending all the time in a debate about options.

Project board meetings should help you, as a project manager, because they give you the direction you need and the decisions required to keep the project moving forward. They can feel like a challenge because of the mix of people in the room, but overall they are a good thing for your project and show that there is adequate governance.



# Your Project Sponsor

Your project sponsor is a key person in the whole governance approach. If they don't much care about following process, you will find it harder to impose process on them. If they don't understand the role of the sponsor, they might not act in the way you expect a sponsor to act, providing you with the decisions and information you need to keep the project moving forward.

Your first meeting with a new project sponsor is your opportunity to impress and also to start the project off well by understanding exactly what it is that your sponsor wants from you. You can start to get an idea of how the two of you will work together to achieve those objectives.

But what do you actually talk about when you meet a project sponsor for the first time? I asked five project managers to share what they do in that first conversation with their project sponsor. Here's what they had to say.

## 1. Learn About Them

I find out as much as I can about them, what they do, what their background is, what they enjoy most about their job – it gives me a good insight into the best way to tailor my interactions with them.

*Helen Curel, UK*

## 2. Establish Trust

In short, try to get to know them and establish trust. One of the best training courses I attended for Project Management was on influencing strategies with Learning Tree. The course model stated that without trust, influence is almost impossible. Much of the course focused on ways to quickly establish trust by determining what the values of others are through observation.

Without trust, influence is almost impossible. Establishing trust requires understanding their values.

I currently have three projects. One sponsor is a senior manager with extensive sponsor experience. She is organised, pragmatic and driven. She likes detail and to be aware of all issues and risks.

Another sponsor is uninterested in the detailed issues but needs to feel that the project is going well. Meetings focus on people-related issues and she wants the project manager to filter out the issues that need to be discussed. For her a detailed agenda is frustrating as she will concentrate on how members feel. She is really good with people and getting others involved.

A third sponsor is a mix of the two. He lacks experience with projects and feels threatened by risks of things going wrong. However, he is great in getting people involved and making quick decisions once he understands the issues.



As the project manager I need to quickly understand what strategy I follow in interacting with the sponsor. Establishing trust requires that I understand their values. I therefore do not dive into project-related issues until I know how they will respond. Ideally this is done in a team meeting where I have opportunity to observe them and get a feel for them. I follow up with a 1-to-1 if I can.

*Paul Nicholson, MBCS, UK*

### **3. Start Building A Relationship**

I try to focus on building a relationship. Of course factual discussions are a must e.g. what is their rationale for the project (and that is also what most sponsors expect from a first meeting), but I use that more as a lever for relationship-building rather than an end in itself.

Hopefully there will be more meetings to discuss the issues. An important part is to get our expectations of each other out in the open from the start. Including how much time the sponsor will be able to devote to the project...

*David, Sweden*

### **4. Listen**

Listen. Take notes. I always have my own agenda. What are the underlying issues? How can we overcome them?

*Claire Sezer, FCILEx, UK*

### **5. See The Bigger Picture**

Ask them to describe their role and responsibilities, and the impact to the organization that they expect the project to deliver.

*Dave Gordon, USA*

## **Getting Your First Discussion Right**

You can draw a lot from what real project managers do, and hopefully the experiences shared above have given you some ideas for your first meeting with a project sponsor.

You're aiming for a blend of big picture thinking and forward planning – what are their overall objectives for the project and how much time are they going to dedicate to it – alongside starting your relationship off in the right way.

I'd argue, like Paul and David say above, that the detailed stuff can come later. Right now you want to leave the meeting with a good idea of what this person will be like to work with. You want the sponsor to leave the meeting thinking that you are someone who can be trusted, who will be calm, who won't hide the truth and who will have the project under control (at least most of the time).





There will be plenty of opportunities to talk about project issues and the actions required to get the project deliverables from concept to reality. There won't be another opportunity to make a good first impression, so prepare, as Claire says above, and know what's on your agenda.

## 5 Reasons Why Your Governance Processes Aren't Working

Governance is a mix of processes, culture and attitude to getting work done in a structured way with appropriate oversight.

The processes include managing risks and issues, reporting, managing changes, escalating problems, running the Project Board, tracking, performance management and things like that.

But what if they aren't working? The bottom line is this: having processes doesn't guarantee that your project will be any better than if you didn't have them.

I'm a big believer in making sure everything is fit for purpose and processes are included in that. They have to work effectively and do what you need them to do. If they hinder you or don't work at all then they are as good as having no processes – and sometimes the result is worse than having no processes!

The reasons why processes don't work are actually pretty simple. Let's look at 5 common reasons why processes fail to serve you when managing projects and what you can do about them.

### 1. Processes Are Too Informal

"Oh, sometimes we do it like this, but it doesn't really matter."

"There's no strict way of doing it but..."

Informal processes cause you lots of problem. Do you follow them? Do you not? Who cares if you do it either way?

Then you find out that a colleague is working in a slightly different way to you and your stakeholders are confused about who is "right" or why they are seeing information in a different format.

Equally, if you aren't following a process at all you could end up with quality issues. An informal attitude might tumble over into a, "I didn't think it mattered" attitude and suddenly no one remembers why you spent £100k on something because nothing was documented about who signed it off.

**Fix by:** Standardise, standardise, standardise. You can do this with templated processes and have different routes through the process depending on the type of project. A large project might necessarily have different obligations than a smaller one. Everyone needs to know what is required from them so they can work to the right level of structure.



## 2. Processes Are Too Bureaucratic

There is a chance that processes lean too far in the other direction too. If your processes are heavily bureaucratic, with lots of winding paths and detailed steps to complete, then no one will be able to get anything through them.

The risk there is that people make up their own processes to work around the edges of the formal policy, skipping steps because they are focused on keeping the momentum going on their project. And in this situation I would argue that's probably the right thing to do. There's no point in supporting processes that add complexity for complexity's sake.

This situation can happen when teams merge, or processes haven't been reviewed over a long period of time. The steps that you used to do to support a particular business requirement aren't needed any more but no one has had the foresight to take them out. So you still do them, pointlessly and with bad grace.

**Fix by:** Work with the PMO to review the processes. Be explicit about issues where you see them not working and challenge the status quo. Never be afraid to ask why you are required to do something and don't take 'that's the way we do it round here' as an answer!

## 3. Lack of Understanding

Let's say that you have great, fit for purpose processes. If your team don't know how to use them, they will simply be a burden.

The people doing the process need to know why they are doing it and what purpose it serves. If they don't realise they have to use the room booking process for sorting out meeting rooms, they will continue to circumnavigate the process and go directly to the office manager: causing problems on both sides, I expect.

People need training on processes. That could be as easy as an email explaining what screen is changing in the software tools you use or a full-on classroom course. But you shouldn't expect people to simply *know* what to do.

**Fix by:** Train your team. Tell them why processes are required. Show them where to find the templates they need. Explain how to use the process and what to do if they need more help.

## 4. Process Risk Isn't Understood

There is an element of risk in most business things, and processes are no different. If there is a risk that the process doesn't work as expected you should be monitoring that (it's most likely a task for your PMO) and ensuring that any subsequent issues with the process are captured and dealt with.

Process risk isn't something we think about often because we like to believe all our processes are designed from best practices and tried-and-tested methodologies. But... then you introduce humans and complex work situations and suddenly those flow diagrams don't look quite so robust any longer.



Process risk is things like:

- People circumventing the process
- Steps not being carried out as expected or with the results you expect
- Processes not fitting a particular type of project.

**Fix by:** When you implement new processes, or even as the user of an existing process, be alert for points where it might fail you. You could even include these in your project risk register. For example, there could be a risk that the budget sign off process takes so long that your project start date is delayed, with the subsequent impact on achieving the business case benefits that would bring.

## 5. Poor Project Management

Finally, poor project management can cause your processes to fail – and this time it's going to be caused by the project manager, not by an inherent problem in the process itself.

You shouldn't try to apply the issue identification process to an issue that has already been resolved. You shouldn't try to use the escalation process formally to flag a problem that doesn't require escalating. There's little point assigning tasks to resources when the work has already been completed.

It will look like those processes are letting you down but really it's because an inexperienced project manager is trying to use them in a way they weren't designed for.

**Fix by:** This is all about applying processes intelligently and using them as appropriate. That means using them at the right time for the right purpose. More experience, a mentor and substantive training will help project managers have the confidence to apply the processes correctly in the right situations.

Processes are there to support you as you manage your project. They underpin how we get work done. But they are only as good as the steps in them and the people using them.

Apply some common sense to your project management processes. Big complex projects need big, complex structures to support them with all the governance, oversight and process that implies. Smaller projects can follow the same path with a leaner approach. Whatever your methodology, whatever your process, applying it intelligently will avoid some of the pitfalls here and keep your processes in good working order.

## Action Steps

- Book your Project Board/Steering Group meetings for the rest of the year
- Ask a trusted colleague to review your project and try to spot any weaknesses in your governance approach



- Talk to the PMO or, if you don't have a PMO, other people doing a similar job to you in your company, and check if there are processes you should be following that you currently are not.
- Talk to your sponsor about their responsibilities for governance
- Review your project business case. Governance exists to ensure you deliver what's in there. How close are you going to get?
- Make sure your team understands the point of governance and what they need to do to support you and the sponsor.