

# Achieving Benefits Through Organizational Project Management

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Efficient organizational project management enables companies to achieve organizational benefits through greater agility and a sharper competitive advantage in the market. To achieve this, we must first understand and know how to differentiate the concepts of organizational benefits, strategic initiatives, project management and organizational project management.

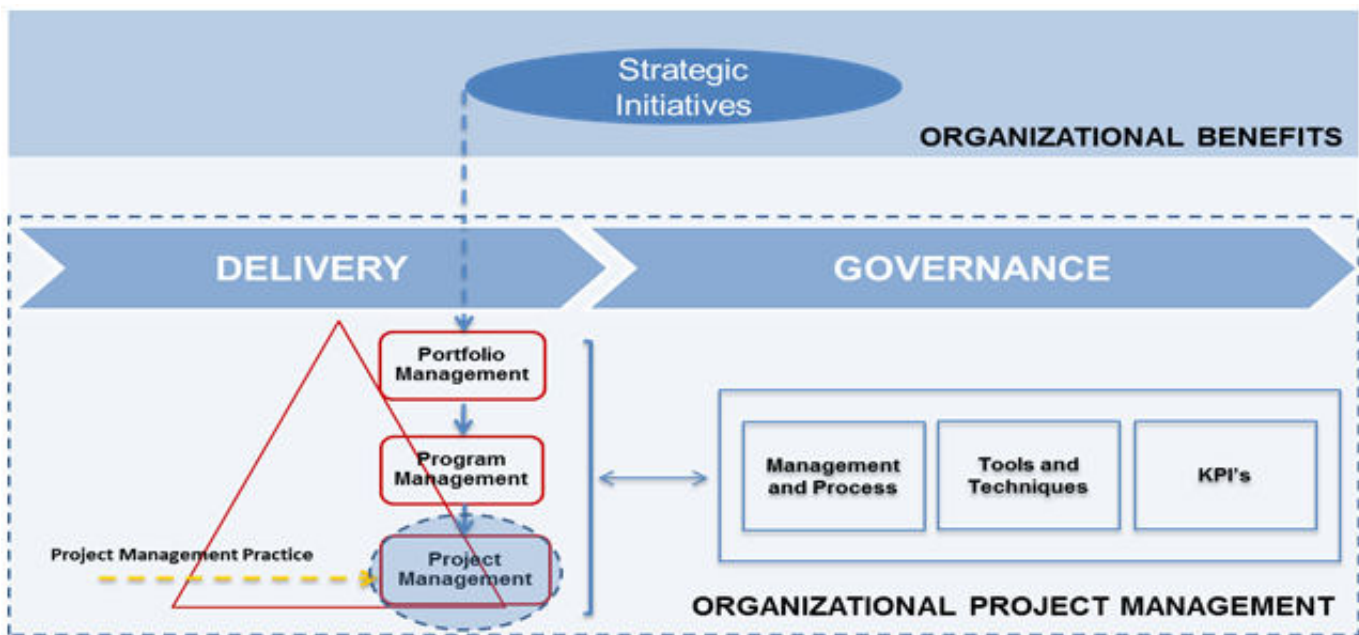
Organizational benefits are those that bring profit to the organization and are directly related to business value. Strategic initiatives are the ideas that arise from the business, are aligned to its benefits and subsequently transformed into the organization's projects. These projects make up the company's portfolio of priority projects that can be grouped into programs based on the grouping criteria defined by the company.

With respect to the project management and organizational project management concepts, the Project Management Institute makes a clear conceptual and structural differentiation:

- *“Project Management is the application of knowledge, skills, tools, and techniques to project activities to meet the project requirements.”* (PMI, 2013a, p. 5).<sup>1</sup>
- *“Organizational Project Management is a strategy execution framework that utilizes portfolio, program and project management as well as organizational enabling practices to consistently and predictably delivery organizational strategy to produce better performance, better results and a sustainable competitive advantage.”* (PMI, 2013b, p. 3).<sup>2</sup>

While the practice of project management refers to managing projects individually, organizational project management is oriented to the integrated management of projects, including a structure based on the portfolio, program and project management that account for the organization's project delivery; and the portfolio, program and project management office that deals with governance under certified standards.

In addition, project management enables the achievement of each project's objectives, while organizational project management enables the achievement of the organization's benefits, relating the portfolio, programs and projects to its organizational strategy.



For example: A company managed its projects with standardized practices, but had not implemented a project management structure. That year, the organization had on the pipeline 20 strategic initiatives based on the company's benefits, one of which was launching to market a product considered a strategic business development.

The 20 initiatives were managed as individual projects according to their function, and as a result, the initiative defined as strategic business was divided into three different projects: product development, software development for product performance, and market launch communication management. Based on all the project dates, the organization communicated to the market the release date of the new product based on the date defined by the market launch communication management project. What do you think that happened?

Only two of the three projects making up the initiative considered a strategic business development (that should be implemented jointly) and were completed on time. One of them, the development of the software for the product operation, was completed five weeks after the date communicated for the product launch. Since the three projects had not been clustered in a single program, each of them had been managed independently—without realizing that a diversion in one of them had an impact on the final product launch, and therefore on the benefits of the organization. The company was unable to hit the market at the time defined and communicated, causing image loss and low credibility in the product launched (in addition to the increased project cost due to the diversion).

Organizational project management enables organizations to achieve maturity in resolving their strategic initiatives through integrated project management, fully understanding the value of practice, alignment and integration of projects into organizational strategy and, above all, achieving benefits.

## References

1. Project Management Institute. (2013a). *A Guide to the Project Management Body of Knowledge (PMBOK® Guide)*. USA: Project Management Institute.
2. Project Management Institute. (2013b). *Organizational Project Management. Third Edition*. USA: Project Management Institute.

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