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Steering a course to good governance and avoiding project failure

By **IonMy** on March 26, 2019 in **Sponsored Content**

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> Good judgement and wisdom is key to good project governance

Good governance helps to support overall compliance in your projects, programs and portfolios. It ought to be part of your overall organisational governance structure. However, when it comes to projects such as software implementation, often project governance does not exist. In some cases, it is simply a project structure that is left to the project team to handle. This looseness may be to blame when a project fails. To glean why, first we need to understand what project governance is.

The roots of the word give us an insight into governance, and that in itself helps describe the high-level areas relating to it. Governance ultimately derives from the Greek word Kubernator, who was the helmsman of a Trireme – the principal warships of the era. As commander of the vessel at sea, the Kubernator:

- set the course
- determined the tactics
- steered the vessel.

Doing so required good judgement and wisdom, while considering both long and short-term plans. That definition provides an excellent summary of project governance today: setting direction, making decisions and overseeing direction.

In this process, decisions need to be made by gathering and testing the evidence. Then they need to be implemented using authoritative and structured processes. It involves taking an oversight by questioning and listening and having the ability to focus closely on key details and then zoom back to the bigger picture. People responsible for project governance ought to be encouraged to take a deep-dive approach to uncover the realities, especially when the project is transitioning across stages or at key decision-making steps.

Project governance should not be confused with project management. Usually the term governance is misused to describe management processes and activities; projects that have a project manager and structure are therefore often mistakenly thought to have suitable governance. Unfortunately, this is not always the case.

Project governance sits outside the project management domain and spans all organisational projects. It is

analogous to the role of CEO versus lower-level managers: a CEO uses detailed knowledge to effectively handle the overall integration of actions and outcomes whereas a manager focuses on more detailed activities.

Project governance is about exercising effective oversight, internal controls and decision-making, ensuring that organisational strategies are implemented, benefits realised and investments optimised.

Here are keys to good project governance:

- accepting responsibility, making decisions and setting and overseeing direction. This may be via a project board, a project control group or a project oversight group. In a less mature organisation, where such centrally driven governance is not in place, the project team would need to take responsibility for governance themselves, preferably via a nominated individual. However, it is best driven from outside the project from the perspective of overall organisational responsibility.
- establishing clearly defined roles, responsibilities and performance criteria for governance, including a project sponsor and a role for independent scrutiny of the project.
- ensuring that decisions are well documented and signed off. There are many reasons why projects may change from the original vision mid-course – from ad hoc reasons to new issues, from resource churn to crucial policy changes. Later in the project, it might be difficult to remember why a change was made, or whether it was authorised. Understanding the decision process strengthens the original decision and helps lead the change, based on solid data.
- managing organisational knowledge – how do you capture, monitor, develop and improve your capability to deliver? Are you genuinely absorbing lessons learned?
- having a sound methodology for delivery – does the method align with your existing systems? Does it tap into known methodologies such as project management body of knowledge (PMBOK) or PRINCE2? Does your methodology include stage or approval gates where you can ensure the viability of what has happened and what follows next?
- providing a support environment for the project that offers consistency and fosters a culture of cooperation, improvement and frank and timely disclosure of information.
- engaging your stakeholders and supporting them with the information they need.

Good project governance isn't easy. Project managers may feel that their autonomy is threatened by it, senior managers might find it a distraction, and executives often behave as if things are quite straightforward and therefore, they don't need anyone's advice at all.

However, project governance is a critical element of your project control. It protects your organisation and people and mitigates the risks of unauthorised budget blow-out or failure to actually achieve your goals. It provides transparency and accountability, sound decision-making and strategic focus.

If your organisation adopts good project governance and accepts the associated responsibility, you can look forward to a future where you swap your war rooms for a clearly steered ship.

So, it's time to get your ship together.

About the Author

Sonja Bernhardt OAM is a director and CEO of ThoughtWare, creators of the award-winning ionMy: Governance, Risk, Compliance software platform, used by residential aged and community care and not-for-profit organisations Australia-wide. In her spare time, Sonja is a commentator on emerging technologies on ABC Radio and cruise ships.

Speak to Sonja and her team about the ionMy platform and Asset Governance at the following conferences:

- 29-30 May 2019 – Sydney – Governance in Aged Care
- 1-4 August 2019 – Brisbane – Better Boards Governance (R)evolution Strategies for Success
- 22-24 October 2019 – Auckland, New Zealand – 'Governance in Aged Care' – New Zealand Aged Care Association (NZACA)
- 27-29 October 2019 – Adelaide – LASA National Congress 2019