

LECTURE EIGHT: VALUE DELIVERY SYSTEM

A SYSTEM FOR VALUE DELIVERY



Session Objectives

- By the end of this session, participants will be able to:
 - appreciate the integrations that take place in delivering value; and
 - explain the roles of each integration.



INTRODUCTION

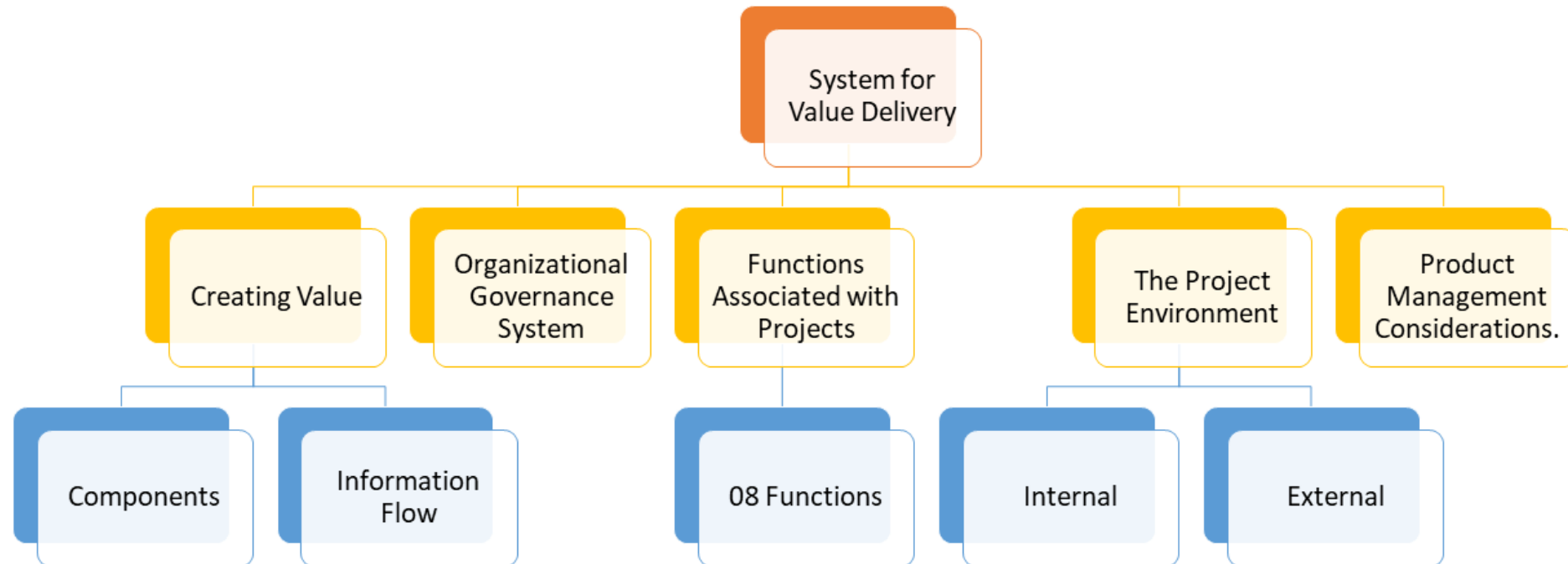
- The information in this section provides a context for value delivery, governance, project functions, the project environment, and product management.
- In this session, we shall be looking at:
 - Creating Value.
 - Organizational Governance Systems.
 - Functions Associated with Projects
 - The Project Environment.
 - Product Management Considerations.



CREATING VALUE

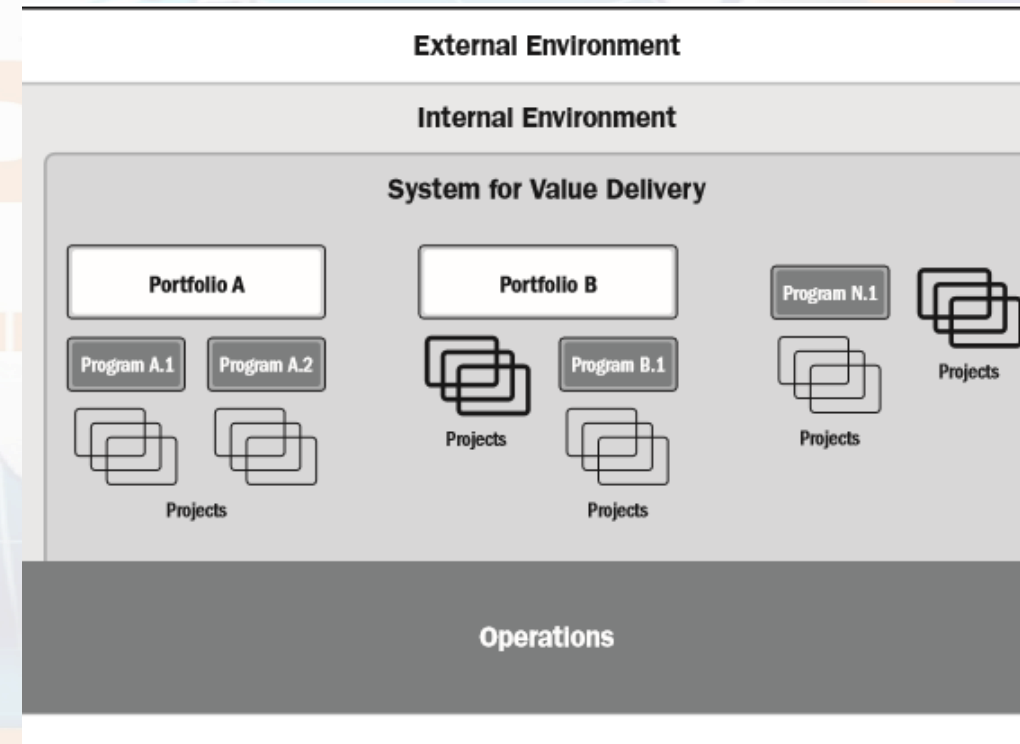
- Organizations exist to create value for stakeholders.
- Examples of ways that projects produce value include, but are not limited to:
 - Creating a new product, service, or result that meets the needs of customers or end users;
 - Creating positive social or environmental contributions;
 - Improving efficiency, productivity, effectiveness, or responsiveness;
 - Enabling the changes needed to facilitate organizational transition to its desired future state; and
 - Sustaining benefits enabled by previous programs, projects, or business operations.

PMBOK 7th Edition – System for Value Delivery

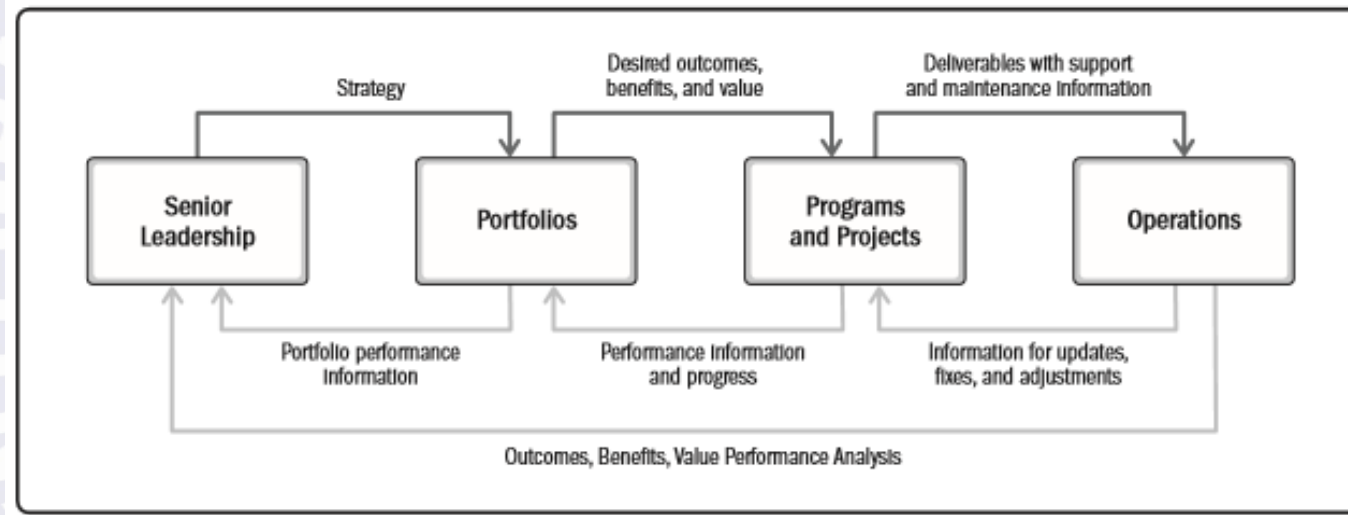


CREATING VALUE: VALUE DELIVERY COMPONENTS

- There are various components, such as portfolios, programs, projects, products, and operations, that can be used individually and collectively to create value.
- Working together, these components comprise a system for delivering value that is aligned with the organization's strategy.
- A system for value delivery is part of an organization's internal environment that is subject to policies, procedures, methodologies, frameworks, governance structures, and so forth.



CREATING VALUE: INFORMATION FLOW



- A value delivery system works most effectively when information and feedback are shared consistently among all components, keeping the system aligned with strategy and attuned to the environment.

ORGANIZATIONAL GOVERNANCE SYSTEMS

- The governance system works alongside the value delivery system to enable smooth workflows, manage issues, and support decision making.
- Governance systems provide a framework with functions and processes that guide activities.
- A governance framework can include elements of oversight, control, value assessment, integration among components, and decision-making capabilities.
- Governance systems provide an integrated structure for evaluating changes, issues, and risks associated with the environment and any component in the value delivery system.
- This includes portfolio objectives, program benefits, and deliverables produced by projects.

FUNCTIONS ASSOCIATED WITH PROJECTS

- People drive project delivery.
- Coordinating a collective work effort is extremely important to the success of any project.
- There are different types of coordination suitable for different contexts.
- Some projects benefit from decentralized coordination in which project team members self-organize and self-manage.
- Other projects benefit from centralized coordination with the leadership and guidance of a designated project manager or similar role.
- Some projects with centralized coordination can also benefit from including self-organized project teams for portions of the work.
- Regardless of how coordination takes place, supportive leadership models and meaningful, continuous engagements between project teams and other stakeholders underpin successful outcomes.

FUNCTIONS ASSOCIATED WITH PROJECTS Cont'd

Provide oversight and coordination

Present Objectives and Feedback

Facilitate and Support

Perform work and contribute insights

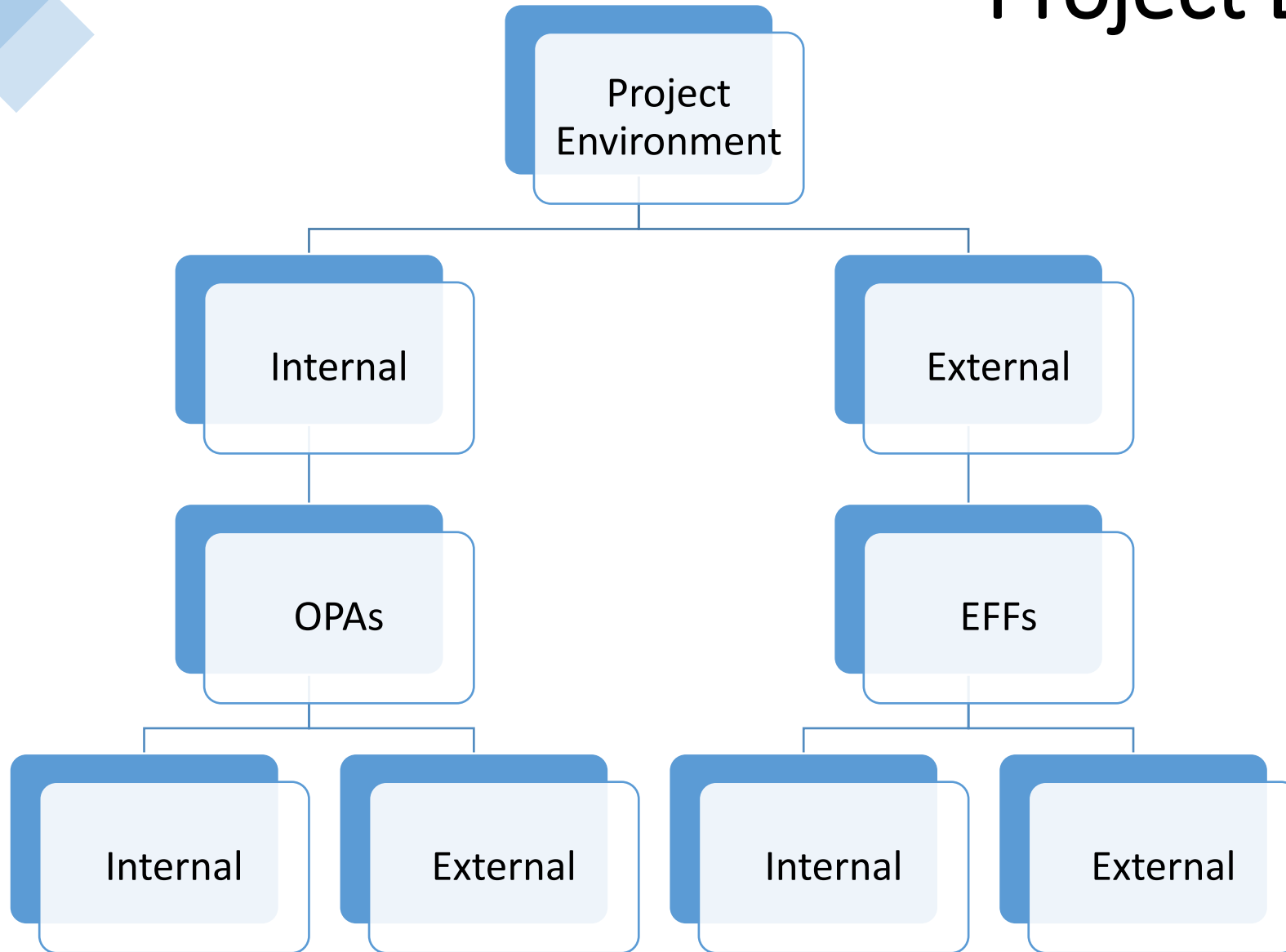
Apply expertise

Provide business direction and insight

Provide resources and direction

Maintain governance

Project Environment



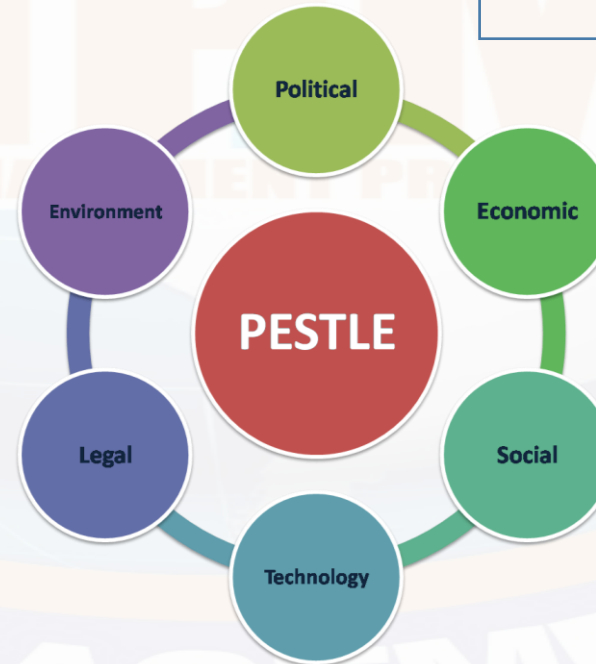
Environmental Analysis

Internal Environment

External Environment

SWOT

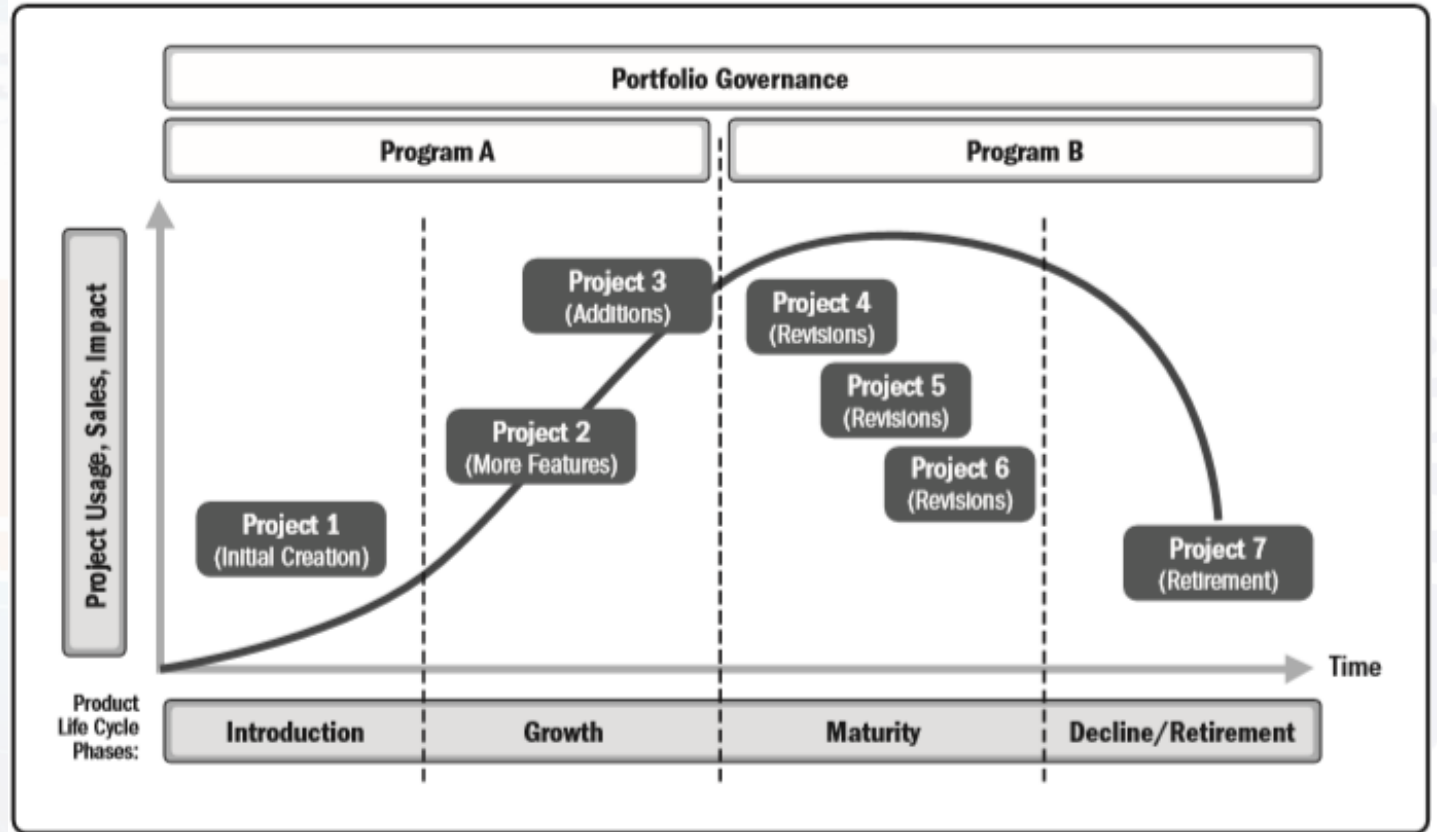
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PRODUCT MANAGEMENT CONSIDERATIONS

- Product management involves the integration of people, data, processes, and business systems to create, maintain, and develop a product or service throughout its life cycle.
- The product life cycle is a series of phases that represents the evolution of a product, from introduction through growth, maturity, and to retirement.
- Product management may initiate programs or projects at any point in the product life cycle to create or enhance specific components, functions, or capabilities.

PRODUCT MANAGEMENT CONSIDERATIONS Cont'd.



In Conclusion



Every project must be driven by value.



Delivering value is an integrated process that requires interplay of different functions, factors and processes.



Organizations must therefore pay attention in developing effective VDS for their projects so as to maximize the benefits.