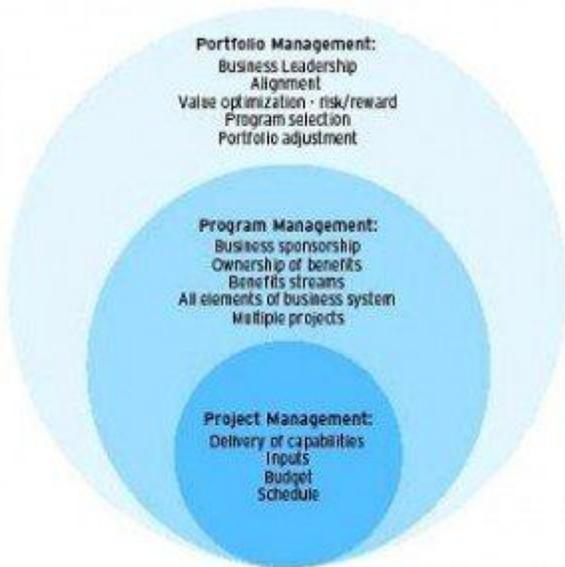


Project Management vs Program Management vs Portfolio Management

Written by [Fahad Usmani](#) on March 12, 2012



In this blog I'm going to discuss about the **Project Management, Program Management, Portfolio Management and the difference among them**. This topic is not very hard to understand but make sure to get it because you may see one, or two questions from this topic in your PMP Certification Exam. This is one of the most important topics for the [PMP Certification exam](#) point of view.

Project and Project Management: As per the [PMBOK Guide](#) 4th Edition, "A project is a temporary endeavor undertaken to create a unique product, service or result." and project management is the "application of knowledge, skill, tool, and technique to project activities to meet the project requirements."

Please visit at [What are the Project and Operation & Difference Between them](#) to read further about the project.

Program: A Program is a group of related projects managed in a coordinated way to get benefits and control not available from managing them individually.

Program Management: Program Management is defined as the centralized coordinated management of a program to achieve the program's strategic objectives. Here, only inter-related and inter-dependent projects are managed as a group to achieve desired benefits.

Benefits of Program Management:

- less conflicts among projects
- optimal utilization of resources
- resource constraints are minimized

- co-ordination among projects.

Portfolio: Portfolio refers to the group of related, or non-related projects, or programs. A portfolio may consist of several non-related projects without having a single program.

For example, two non-related projects will be handled under the Portfolio Management instead of Program management because in program management only related projects are managed.

Portfolio Management: In Portfolio Management, there is a centralized management, whose job is to identify, prioritize, authorize the projects, or program and control and manage them to achieve strategic business objectives.

Portfolio Management sets the priority of projects, or programs in a group. Portfolio Management does not oversee any individual project, or the program.

Benefits of Portfolio Management:

- optimal allocation and utilization of resources
- projects, or programs constantly receive support
- less conflicts among projects, or programs
- better communication among projects, or programs
- co-ordination among projects, or programs.

Program and Portfolio Management facilitate better communication and co-ordination among projects and programs resulting in enormous benefits of economies of scale and lesser risks.

Summary

Responsible Person:

Project – project manager

Program – program manager

Portfolio – portfolio manager

Scope:

Project – well defined scope

Program – larger scope

Portfolio – business scope that aligned with organization's strategic goal

Success Criteria:

Project – timely completion, under budget, and quality of output of the project

Program – degree to which it satisfies the objective it was undertaken

Portfolio – combined performance of its component.

Related Posts

1. [What are the Project and Operation & Difference Between them](#)
2. [Project Plan vs Project Management Plan](#)

Categories: [Initiating](#), [Integration](#) - Tags: [Portfolio](#), [Portfolio Management](#), [Program](#), [Program Management](#), [Project](#), [Project Management](#)

Read more: <http://pmstudycircle.com/2012/03/project-management-vs-program-management-vs-portfolio-management/#ixzz2HvJ62dls>

Follow us: [@PMStudycircle on Twitter](#)