Topic 2.10   Lecture 1

Projects vs Programs

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Welcome to lecture 1 of Topic 2.10. In this lecture we are going to look at the difference between projects and programs.
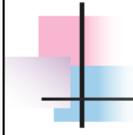
Project

- Starts from a concept and through a systematic process of inter-related and sequenced activities produces a desired or predetermined change, such as the creation of a new product or service.

- 'a unique set of coordinated activities, with **definite** starting and **finishing points**, undertaken by an individual or organisation to meet specific objectives within defined schedule, cost and performance parameters.'

British Standard 6079 (cited in Johnson, 2006, p. 15)

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In Topic 2.9 'Managing Community Projects' we noted that all projects have an end point and that the end point of a project is managed at the termination phase of the project management lifecycle.

Common Methods of Termination

- **Project extinction**
  - Project's activities cease due to completion, change of strategy or failure

- **Project integration**
  - Projects activities at termination are absorbed into the operations of an existing organisation and the project looses its own identity

- **Project institutionalisation**
  - Projects activities at termination continue on as a separate entity

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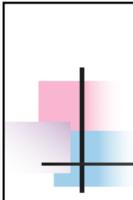
We noted in Topic 2.9 that there are three common methods of project termination:

•Project extinction

•Project integration, and

•Project institutionalisation

Project extinction occurs when the project's activities cease due to completion, change of strategy or failure. The project may have achieved its objectives, it may no longer be relevant or it may not be achieving its objectives.

Project integration occurs when the projects activities at termination are absorbed into the operations of an existing organisation and the project looses its own identity. Integration may involve the assets such as staff, volunteers, property and equipment also being transferred and integrated into the existing organisation.

Project institutionalisation occurs when the projects activities at termination continue on as a separate entity. A new organisation is formed and the assets such as staff, volunteers, property and equipment may also be transferred to the new organisation.

When the activities of projects are integrated into existing organisations, or are institutionalised in a new organisation, the activities cease to be a project and become a program.

The differences between projects and programs is described in the two quotes in this slide. The first quote states:

'A project usually refers to an effort with a distinct life cycle and time table, such as the development of a product. A program suggests an ongoing effort, such as a service provided by a nonprofit group.'

The second quote highlights that the majority of grants are provided on a once off basis to fund projects and that there is sometimes reluctance by funders to provide ongoing funding for programs:

'When seeking funding it is useful to keep in mind the difference between a project and a program. A project is of a specific duration with a start and finish. Programs are usually on-going. Many programs begin as projects, which over time are proven to successfully fill a need. Some programs have small amounts of core, or program funding. Funding agencies are sometimes reluctant to commit themselves to providing on-going funding. Pilot projects, trying something new and innovative, are often more attractive.'

It should be pointed out that in addition to the term program referring to an ongoing effort, the term program is also sometimes used to refer to the activity of managing a series of multiple projects
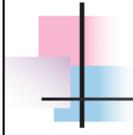
Development of Organisational Forms

- Unincorporated community group
- Nonprofit organisation
- Social enterprise
- Small business

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In the introduction lecture for this course, we noted that during this program we would touch on concepts, tools and techniques for establishing these four organisational forms to progress projects

In Unit 1 Topic 1.9 'Enterprising Communities' we covered social enterprises and small businesses.

In Topic 2.7 we covered the concept of unincorporated community groups using Auspicing to be able to access grant funding.

In this topic, we will focus on non-profit organisations and the group processes of organisations.
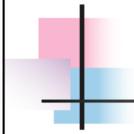
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