

Training Agenda

Topic
PgMP® Certification overview 2025 / 2026
Application process overview
Strategic Alignment
Benefits Management
Stakeholder Engagement
Governance
Life Cycle Management
Program Management Activities



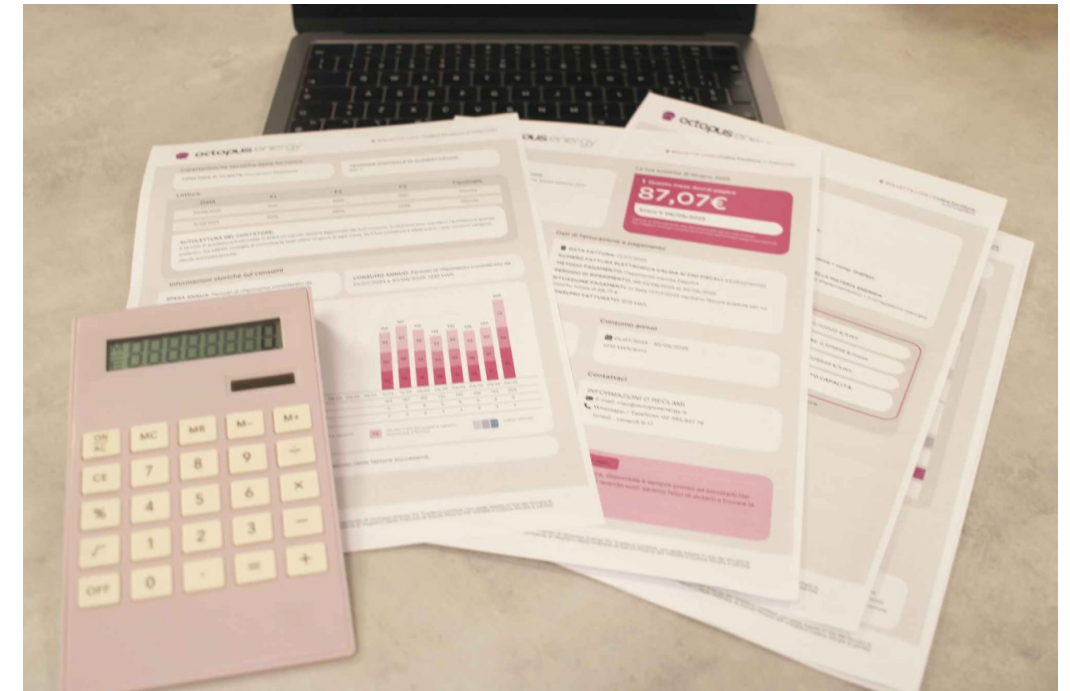
1. Strategic Program Alignment

1.1.	Program Business Case
1.2.	Program Charter
1.3.	Program Management Plan
1.4.	Environmental Assessments
1.5.	Program Risk Management Strategy

Program Business Case

A documented economic feasibility study used to establish validity of the benefits to be delivered by a program. The business case serves as the foundation for all program decisions and investments.

It provides the economic justification and strategic rationale that connects program outcomes to organizational objectives, ensuring every investment delivers measurable value.



Strategic Connection Framework



The Program Business Case creates a direct link between individual programs and organizational strategic goals, ensuring alignment at every level of execution.

Investment Approval & Justification

APPROVAL

Formal authorization to proceed with program investment based on demonstrated value proposition

JUSTIFICATION

Economic and strategic rationale supporting the investment decision and resource allocation

The Program Business Case serves as both the gateway for approval and the ongoing ongoing justification for continued investment throughout the program lifecycle.





Collaborative Development Process

During program definition, the program manager collaborates with key sponsors and stakeholders to develop the business case, which assesses the program's investment against the intended benefits.

This collaborative approach ensures all perspectives are considered and stakeholder buy-in is established from the outset, creating a foundation for successful program execution.

Business Case Content Framework

The business case usually describes key parameters that may be used to assess the objectives and constraints for the intended program.



Program Outcomes

Detailed descriptions of expected results and deliverables



Approved Concepts

Validated ideas and approaches for program execution



Risk Assessment

Issues, high-level risks and opportunity evaluations



Key Assumptions

Critical assumptions underlying program planning

Comprehensive Business Case Elements

Strategic Components

- Business and operational impacts
- Cost-benefit analysis
- Alternative solutions
- Financial analysis
- Intrinsic and extrinsic benefits
- Market demands or barriers
- Potential profits

Environmental Factors

- Social needs
- Environmental influences (PESTLE)
- Legal implications
- Time to market
- Constraints
- Strategic plan alignment



Business Case Checklist

1. Details about the program outcomes,
2. Approved concepts,
3. Issues, high-level risks and opportunity assessments,
4. Key assumptions,
5. Business and operational impacts,
6. Cost-benefit analysis,
7. Alternative solutions,
8. Financial analysis,
9. Intrinsic and extrinsic benefits,
10. Market demands or barriers,
11. Potential profits,
12. Social needs,
13. Environmental influences (PESTLE),
14. Legal implications,
15. Time to market,
16. Constraints,
17. The extent to which the program aligns with the organization's strategic plan.

Financial Analysis Fundamentals

Revenue Components

Total Revenue: All sales and income generated

COGS: Cost of Goods Sold - direct production costs

Expense Categories

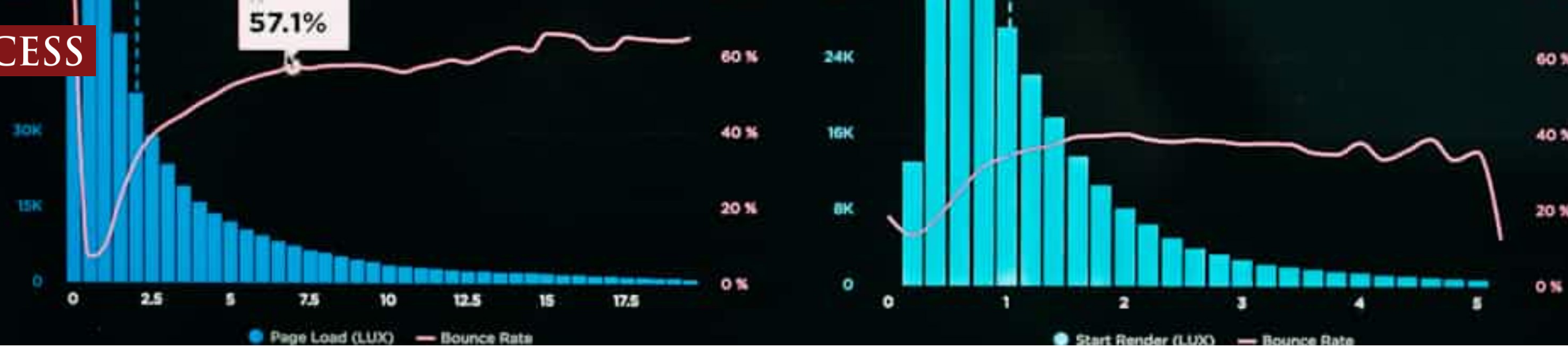
Operating Expenses: Salaries, rent, marketing, utilities

Interest: Interest on loans or other debts

Taxes: Income taxes payable

Profitability Calculation

Net Income = Total Revenue – (COGS + Operating Expenses + Interest + Taxes)



Key Financial Ratios & Metrics



Return on Assets (ROA)

Measures how efficiently a company uses its assets to generate profit. Key profitability ratio showing net income earned per €1 of assets owned.



Current Ratio

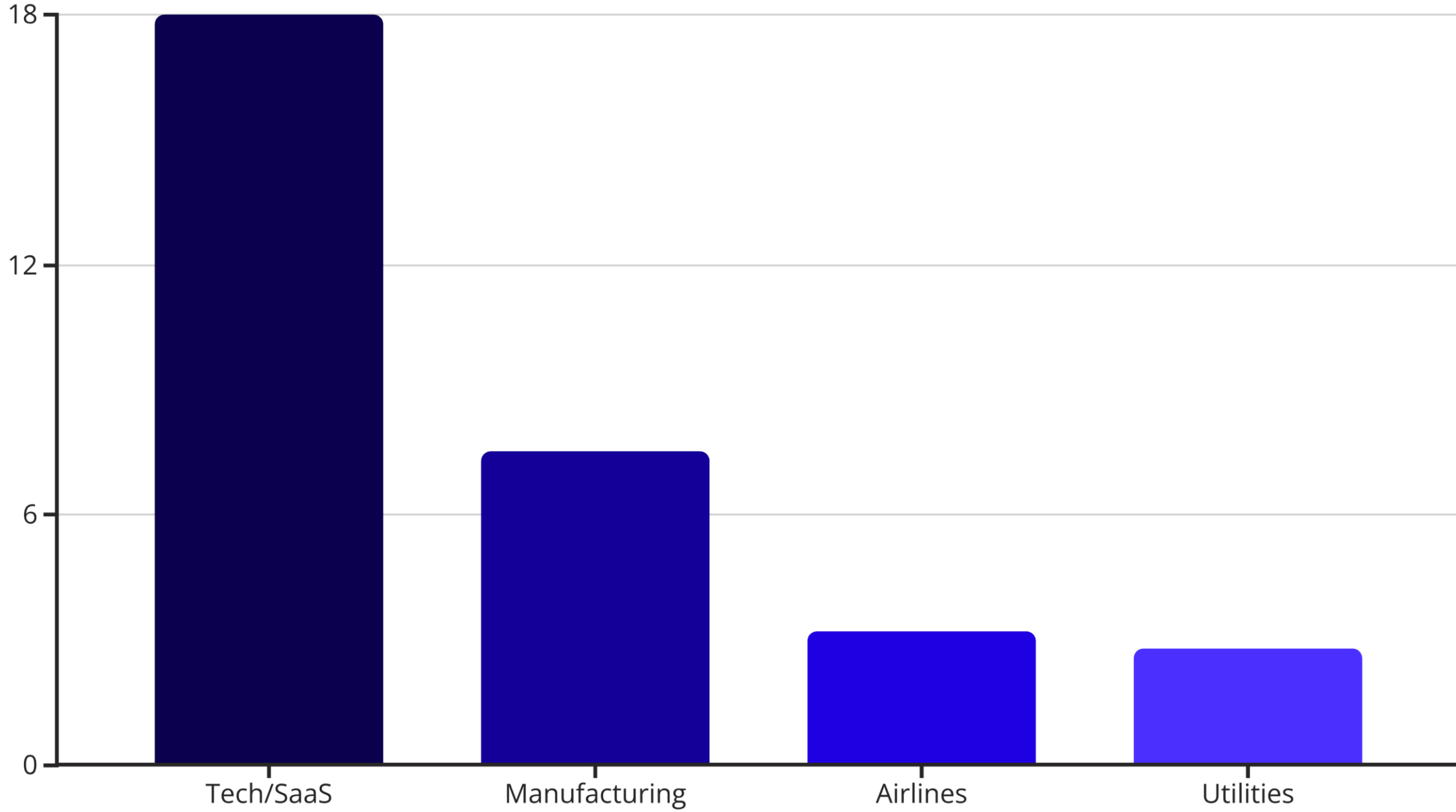
Liquidity ratio measuring a company's ability to pay short-term obligations using short-term assets.



Profit Margins

Gross, Operating, and Net Profit Margins measure efficiency at different operational levels.

Industry ROA Benchmarks



Essential Financial Formulas

1

Return on Assets

$$ROA = \frac{NetIncome}{TotalAssets}$$

2

Gross Profit

$$GrossProfit = Revenue - COGS$$

3

Gross Profit Margin

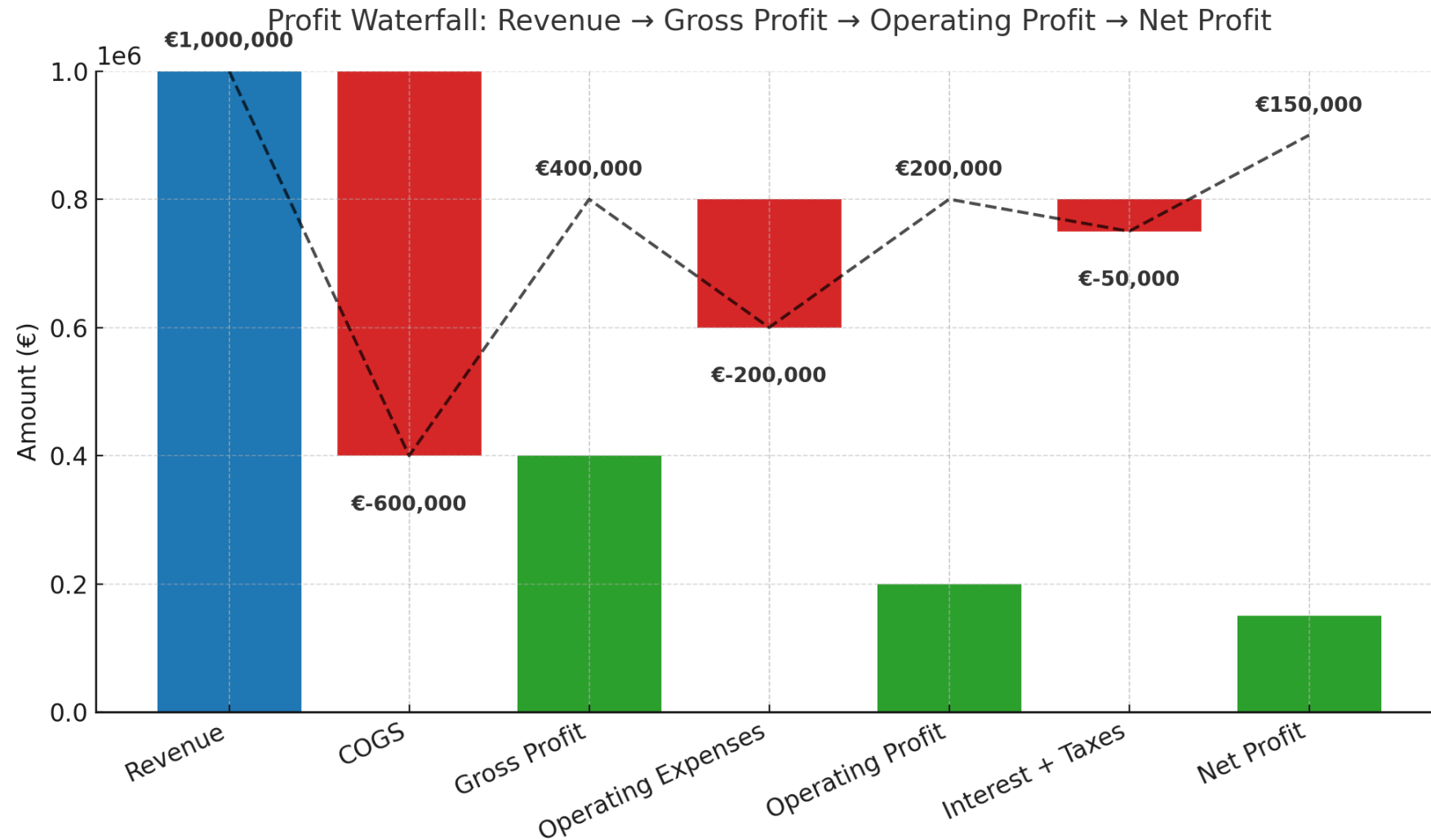
$$GPM = \frac{Revenue - COGS}{Revenue} \times 100$$

4

Current Ratio

$$CurrentRatio = \frac{CurrentAssets}{CurrentLiabilities}$$

Financial Analysis Example



Revenue → €1,000,000

COGS → -€600,000 → **Gross Profit** = €400,000

Operating Expenses → -€200,000 → **Operating Profit (EBIT)** = €200,000

Interest + Taxes → -€50,000 → **Net Profit** = €150,000

Financial Analysis Example

01

Revenue: €1,000,000

Total sales and income generated

02

COGS: -€600,000

Gross Profit = €400,000

03

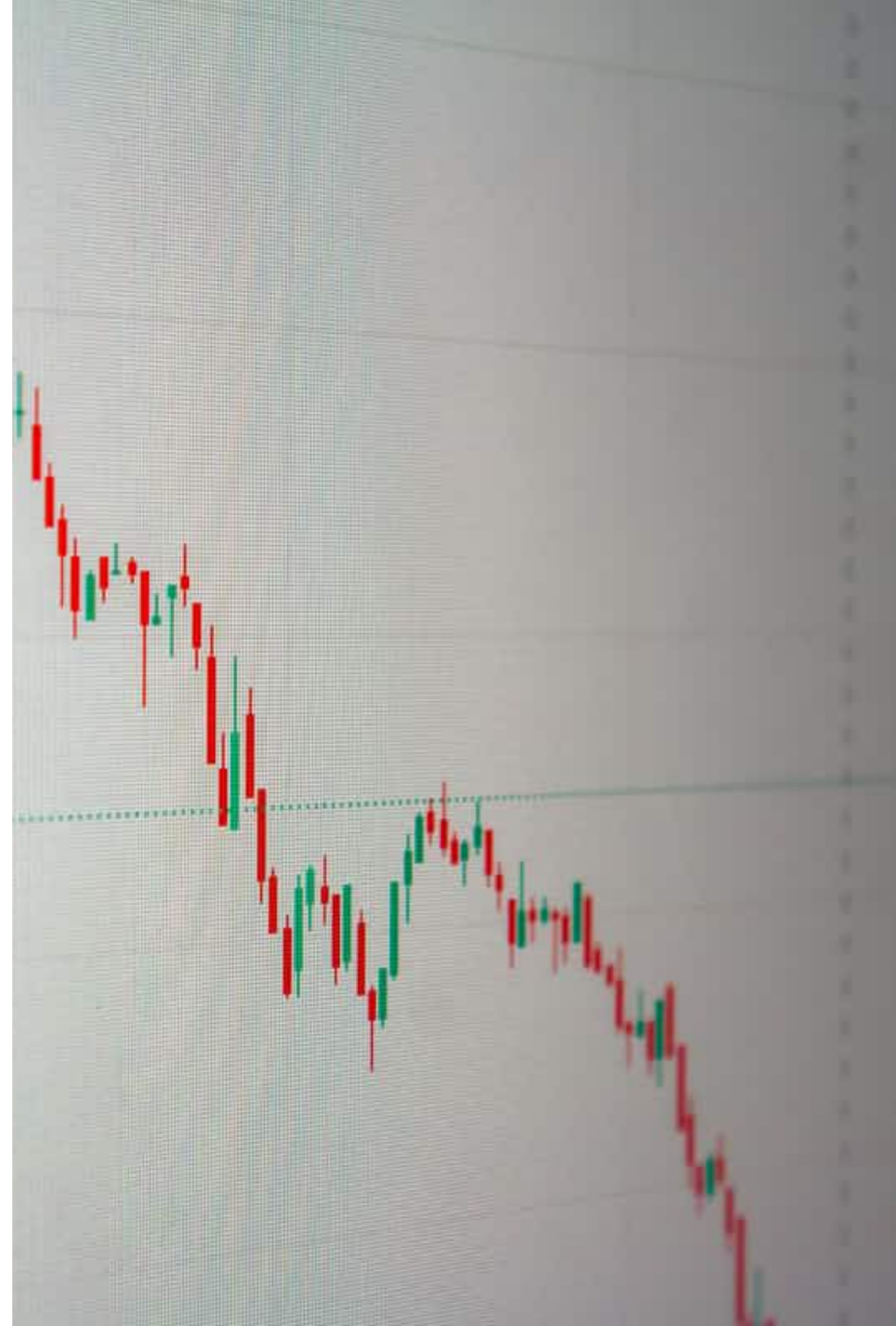
Operating Expenses: -€200,000

Operating Profit (EBIT) = €200,000

04

Interest + Taxes: -€50,000

Net Profit = €150,000



Understanding EBITDA

Two Calculation Methods

Formula 1 — From Net Income:

$$EBITDA = \text{NetIncome} + \text{Interest} + \text{Taxes} + \text{Depreciation} + \text{Amortization}$$

Formula 2 — From Operating Profit:

$$EBITDA = \text{OperatingProfit} + \text{Depreciation} + \text{Amortization}$$



EBITDA Components Explained



Earnings

Company's profit before adjustments



Before Interest

Ignores financing costs (loans, credit)



Before Taxes

Ignores corporate income tax effects



Before Depreciation

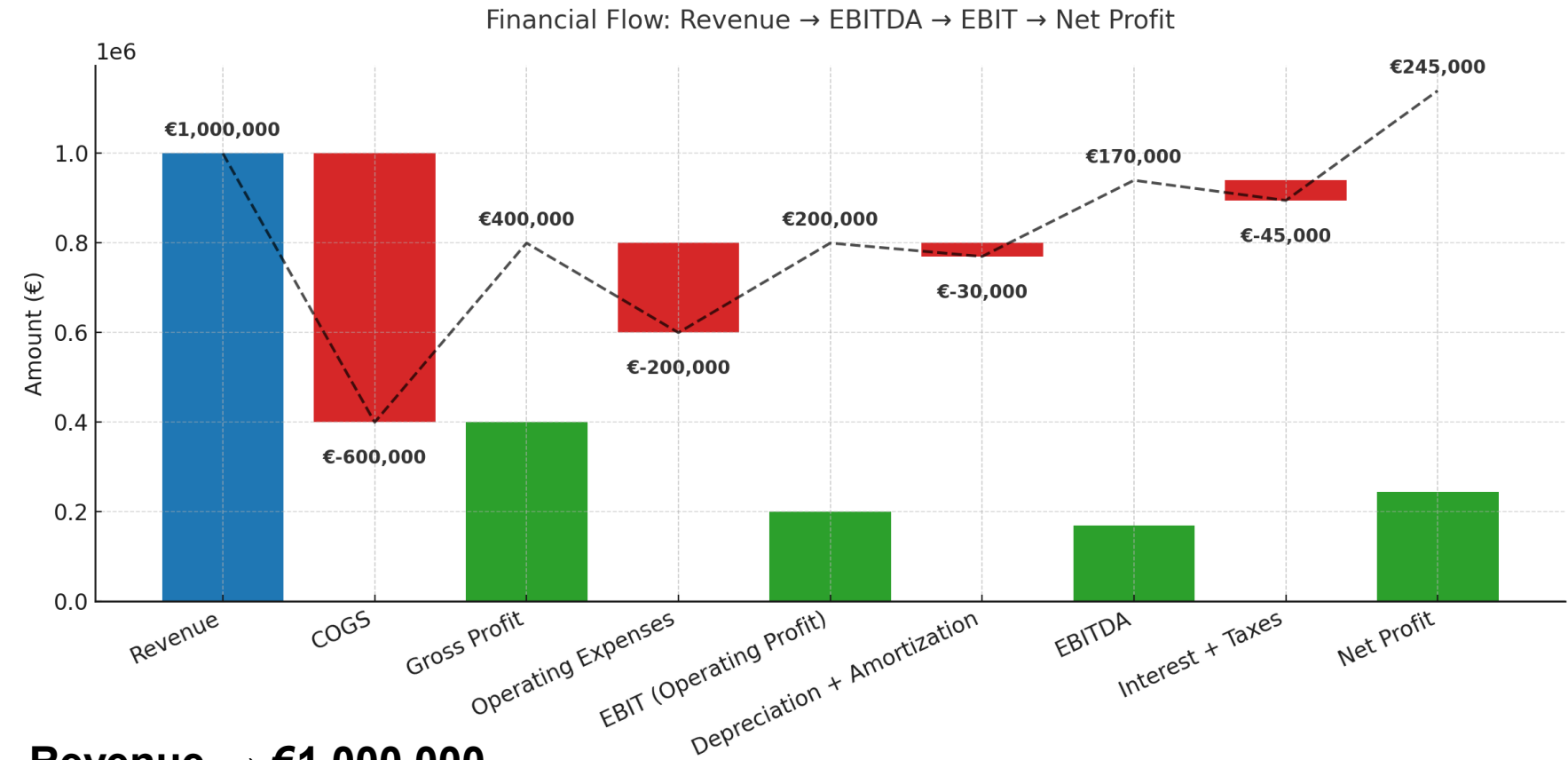
Removes non-cash costs for physical assets



Before Amortization

Removes non-cash costs for intangible assets

EBITDA Calculation Example



Revenue → €1,000,000

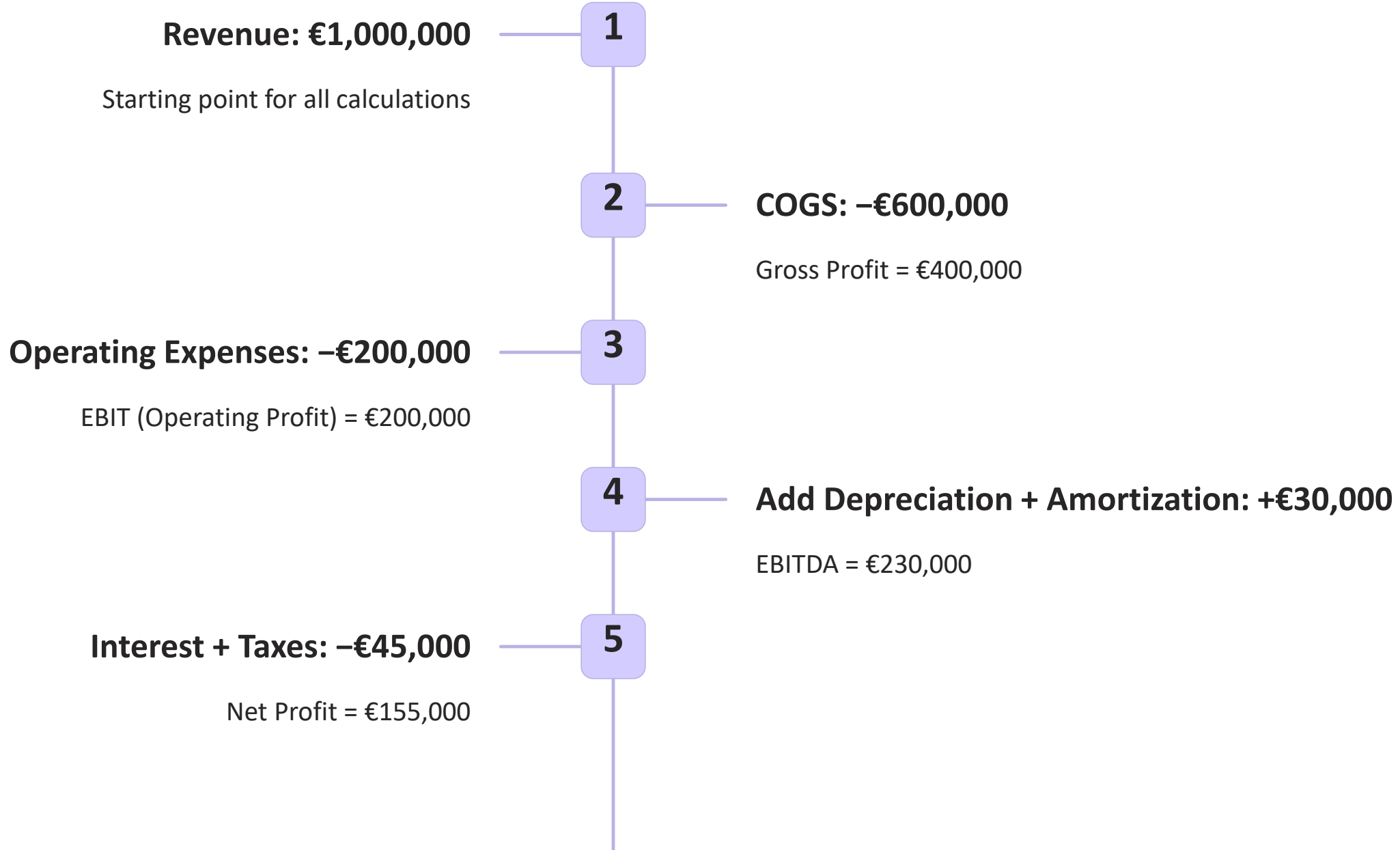
COGS → -€600,000 → Gross Profit = €400,000

Operating Expenses → -€200,000 → EBIT (Operating Profit) = €200,000

Depreciation + Amortization → +€30,000 → EBITDA = €230,000

Interest + Taxes → -€45,000 → Net Profit = €155,000

EBITDA Calculation Example



Why EBITDA Matters



Operational Focus

Shows operational profitability without financial structure or tax effects, providing clear view of core business performance.



Comparative Analysis

Useful for comparing companies across industries and countries by removing financing and accounting differences.



Investment Valuation

Often used by investors and analysts for company valuation and acquisition analysis.

Key Stakeholders in Business Case Development

Portfolio Management Body



- Develops concepts (products, services, organizational outcomes)
- Creates scope frameworks and initial requirements
- Establishes timelines, deliverables, and cost guidelines
- Develops Business Case during program formulation

Program Manager



During program definition, collaborates with key sponsors and stakeholders to develop the business case, assessing program investment against intended benefits.

PMI ECO Domain Alignment



1

Domain I - Task 5

Evaluate the program's business case to develop, validate, and assess program objectives, priority, feasibility, readiness, and strategic alignment.

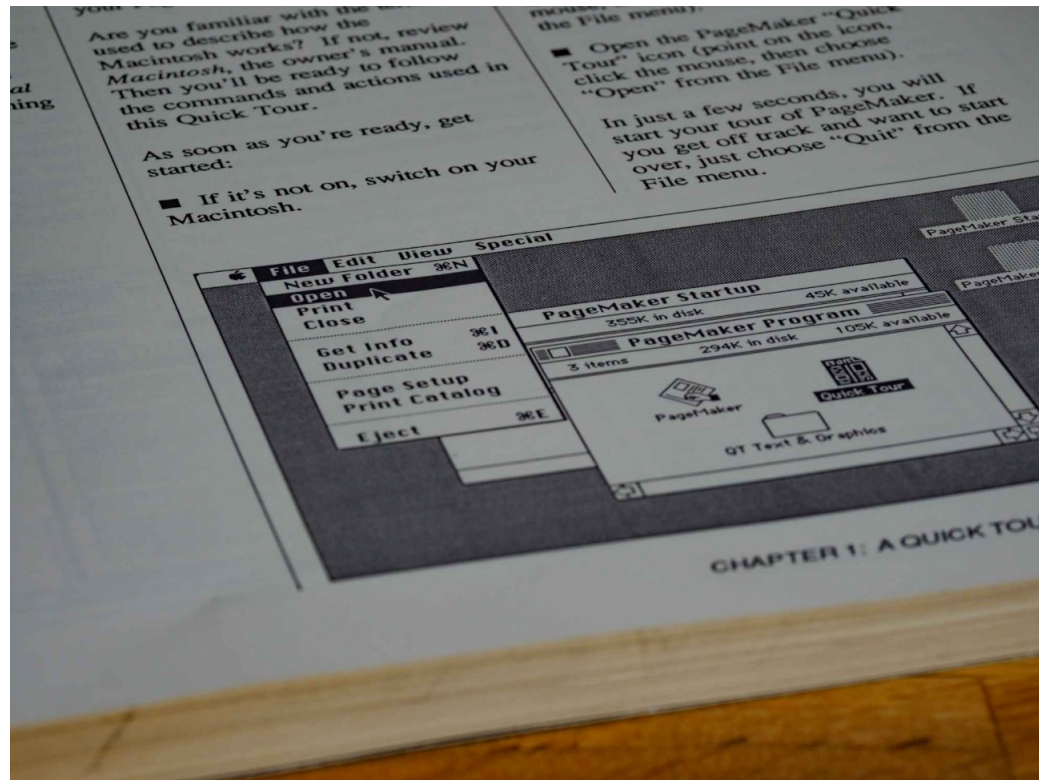


2

Domain II - Task 1

Develop the program charter with scope, assumptions, constraints, risks, constraints, risks, benefits, timing, stakeholders, outcomes, and resource resource allocation tied to the business case.

Program Charter



A document issued by a sponsor that authorizes the program management team to use to use organizational resources to execute the program and links the program to the the organization's strategic objectives.

- Assigns and authorizes a program manager
- Defines the scope and purpose of a proposed program

Program Charter Key Elements

Scope & Purpose

Program scope, assumptions, constraints, and high-level risks

Benefits & Outcomes

High-level benefits, realization plans, goals, objectives, and success criteria
success criteria

Stakeholders & Resources

Key stakeholders, timing, outcomes, and resource allocation

Business Alignment

Provisions that tie the program to the business case

Program Charter Contents - Part 1

1 Justification

Why is the program important and what does it achieve?

2 Vision

What is the end state and how will it benefit the organization?

3 Strategic Alignment

Key strategic drivers and relationship to organizational objectives and ongoing initiatives

4 Scope

What is included within the program and what is considered out of scope at a high level?

5 Benefits

Key intended gains to be realized to achieve the program's vision and benefits

6 Benefit Strategy

Approach to ensure the realization of the planned benefits

Program Charter Contents - Part 2

7 Assumptions and Constraints

Assumptions, constraints, dependencies, and external factors that shape program objectives

8 Components

How projects and other program components are configured to deliver intended benefits

9 Risks and Issues

Initial risks, opportunities, and issues identified during charter development

10 Timeline

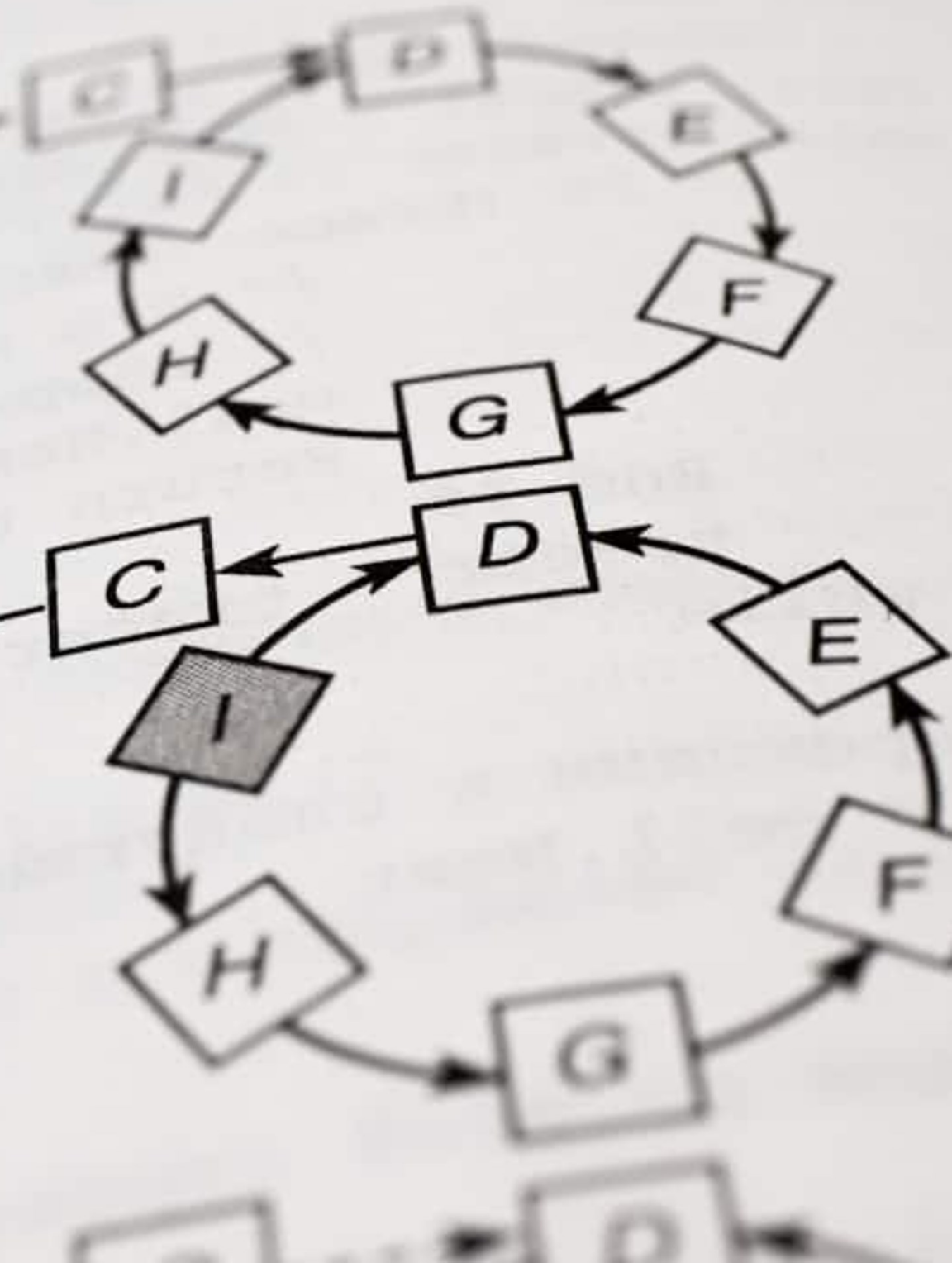
Total program length, including all key milestone dates

11 Resources Needed

Estimated program costs and resource needs: staff, training, travel, etc.

12 Stakeholder Considerations

Key stakeholders and initial strategies to engage them



Governance Framework

The program charter establishes the recommended governance structure to manage, control, and support the program, including:

- Governance structures to guide and oversee program components
- Reporting requirements and communication protocols
- Program manager authorities and decision-making rights
- Update mechanisms for the program governance plan

Charter's Strategic Expression

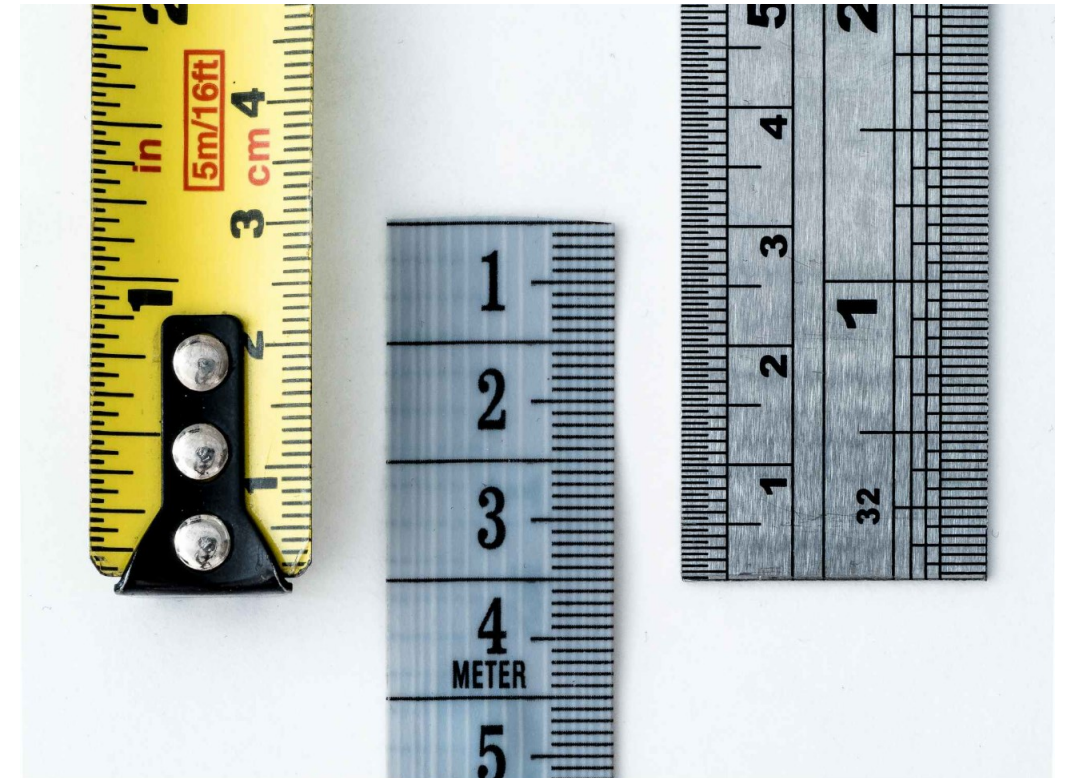
Vision Expression Formally expresses the organization's vision and vision and mission	Benefits Definition Defines expected benefits to be produced by the program	Goals & Objectives Establishes program-specific goals and objectives
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Program Success Measurement

The program charter is one of the document deliverables that will be used to measure program success.

It may also include:

- Metrics for success
- Method for measurement
- Clear definition of success



Charter ECO Domain Tasks

01

Domain I - Task 7

Estimate high-level financial framework and nonfinancial benefits to obtain/maintain funding authorization

02

Domain I - Task 9

Obtain organizational leadership approval by presenting the program charter with costs, schedule, and benefits

03

Domain II - Task 1

Develop comprehensive program charter enabling enabling strategic alignment using stakeholder input stakeholder input

Business Case vs Program Charter

Aspect	Business Case	Program Charter
Primary Verb	Approve	Authorize
Developer	Portfolio Management Body or Program Manager with Manager with stakeholders	Program Manager
Key Question	Why?	What and who?
Purpose	Economic justification	Operational authorization



Program Management Plan

Integration

Integrates subsidiary plans and establishes management controls for program components

Planning

Outlines major program events for planning and detailed schedule development

Benefits Realization

Reflects the pace at which benefits are realized through capability delivery

Transition

Serves as basis for transition and integration of new capabilities

Program Roadmap

A major component of the program management plan, is a chronological representation of a program's intended direction, graphically depicting dependencies between major milestones and decision points and reflecting the linkage between the organizational strategy and the program work.



Visual Program Roadmap Example

The roadmap provides a visual representation of how program components align with strategic objectives and deliver value over time through coordinated execution.



Program Management Plan Components



Strategic Alignment

Linkage between strategic goals and program components



Key Milestones

Significant points for making decisions and delivering benefits



Executive Ownership

Group or person responsible for benefits realization



Component List

Subsidiary programs, projects, and program-related activities

Additional Plan Components

Component Information

Component name, planned period (start and end), and targeted outcomes/benefits

Dependencies

Connections across program components and benefits to create synergy

Benefits Realization Period

How benefits are fully realized over time

Benefits Transition

When benefits transition from programmatic to operational levels

Program Management Plan Checklist

1. **Strategic alignment.** Linkage between strategic goals and program components.
2. **Executive ownership.** A group or person responsible for benefits realization.
3. **Key milestones.** Significant points or events for making decisions and delivering benefits.
4. **List of components.** Subsidiary programs, projects, and program-related activities.
5. **Component information.** Component name, planned period (start and end), and targeted outcomes/benefits.
6. **Dependencies.** Connections across program components and benefits to create synergy.
7. **Benefits realization period.** How benefits are fully realized over time.
8. **Benefits transition and sustainment period.** When benefits make the transition from the programmatic to the operational levels.

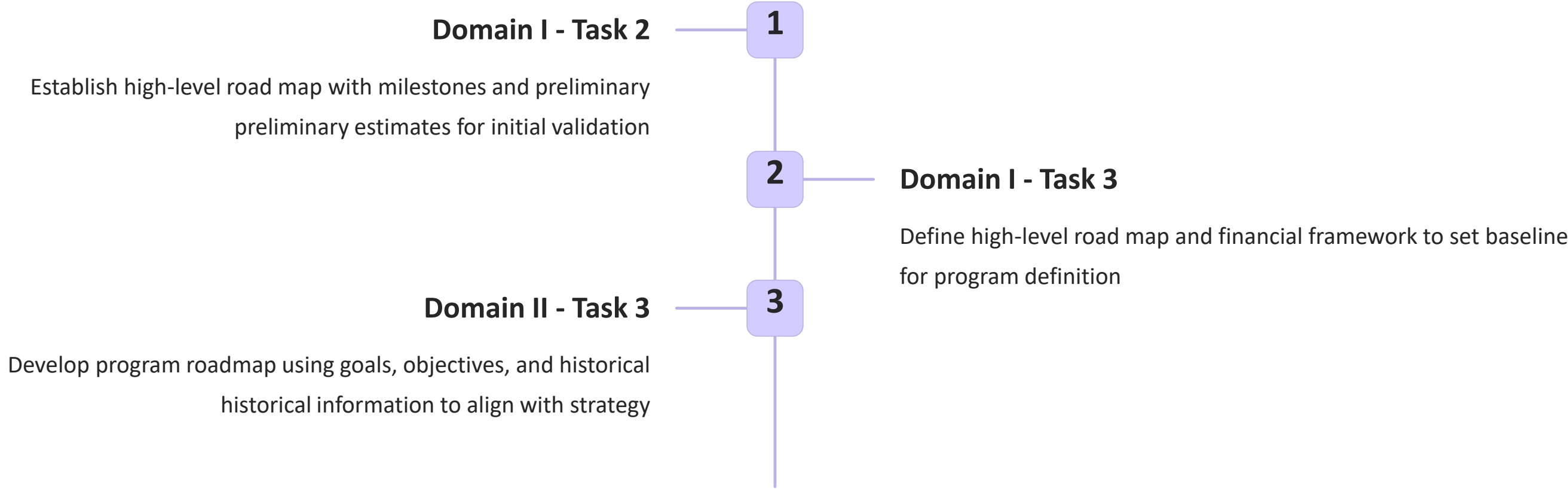
Stakeholder Communication



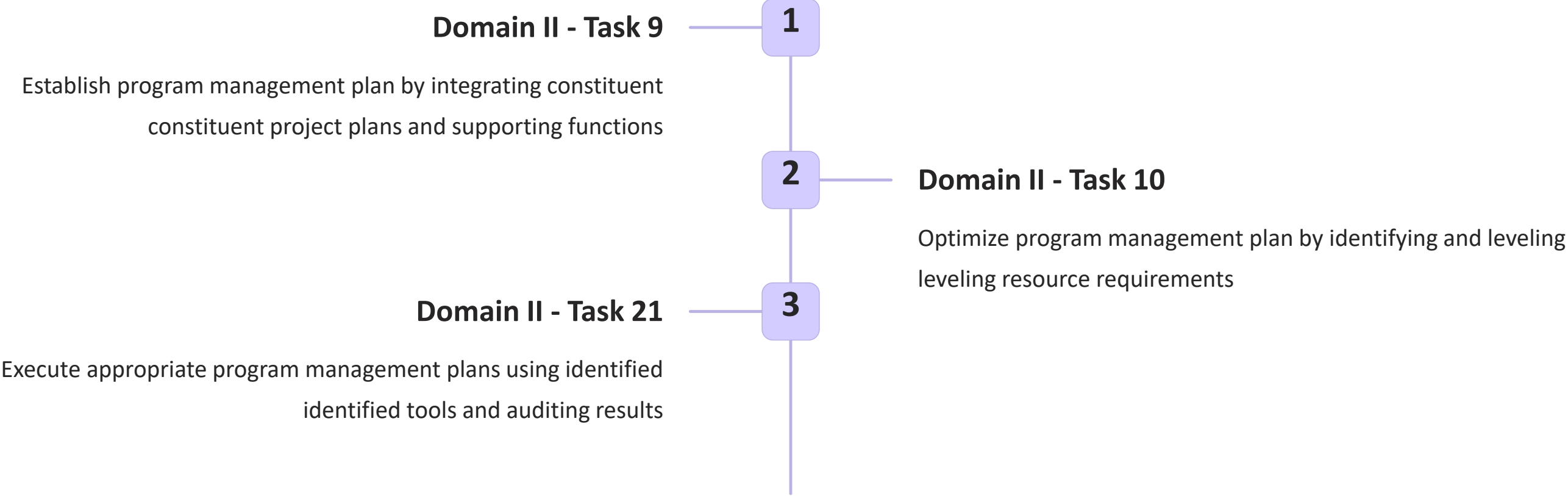
The Program management plan is an effective way to communicate the overarching plan and benefits to stakeholders to build and maintain advocacy.

Clear communication ensures stakeholder alignment and continued support throughout throughout program execution.

Program Management Plan ECO Tasks - Part 1



Program Management Plan ECO Tasks - Part 2



Environmental Assessments

Enterprise Environmental Factors (EEFs): Conditions, not under the immediate control of the team, that influence, constrain, or direct the project, program, or portfolio.

These factors provide critical context for program planning and execution, ensuring realistic and achievable program objectives.



Environmental Analysis Methods

Used to assess the validity of a program's business case and program management plan.



Comparative Advantage Analysis

What-if scenarios and alternative evaluations



Feasibility Studies

Technical and economic viability assessments



SWOT Analysis

Strengths, weaknesses, opportunities, threats evaluation



Assumptions Analysis

Critical assumption validation and testing



Historical Information Analysis

Lessons learned and past performance review

Environmental Assessment ECO Tasks

Domain I - Task 6

Analyze organizational strategies, influences, influences, and program drivers to identify identify and quantify expected benefits using using research methods like market analysis analysis and cost-benefit analysis.

Domain I - Task 8

Evaluate program objectives relative to regulatory, legal, social, sustainability, cultural, cultural, political, and ethical constraints to to ensure stakeholder alignment.

Domain V - Task 10

Monitor business environment, functionality functionality requirements, and benefits realization to ensure continued strategic strategic alignment.

Program Risk Management Strategy

Program Risk Thresholds

Establishing acceptable risk levels and levels and escalation triggers



Initial Program Risk Assessment

Early identification of strategic alignment risks

Program Risk Response Strategy

Comprehensive approach to risk management throughout program lifecycle lifecycle



Program Risk Thresholds

Establishing program risk thresholds is an integral step in linking program risk management to strategic alignment and therefore should be done as part of early done as part of early planning.



Minimum Risk Exposure

Minimum level of risk exposure for a risk to be included in the risk register



Risk Rating Definitions

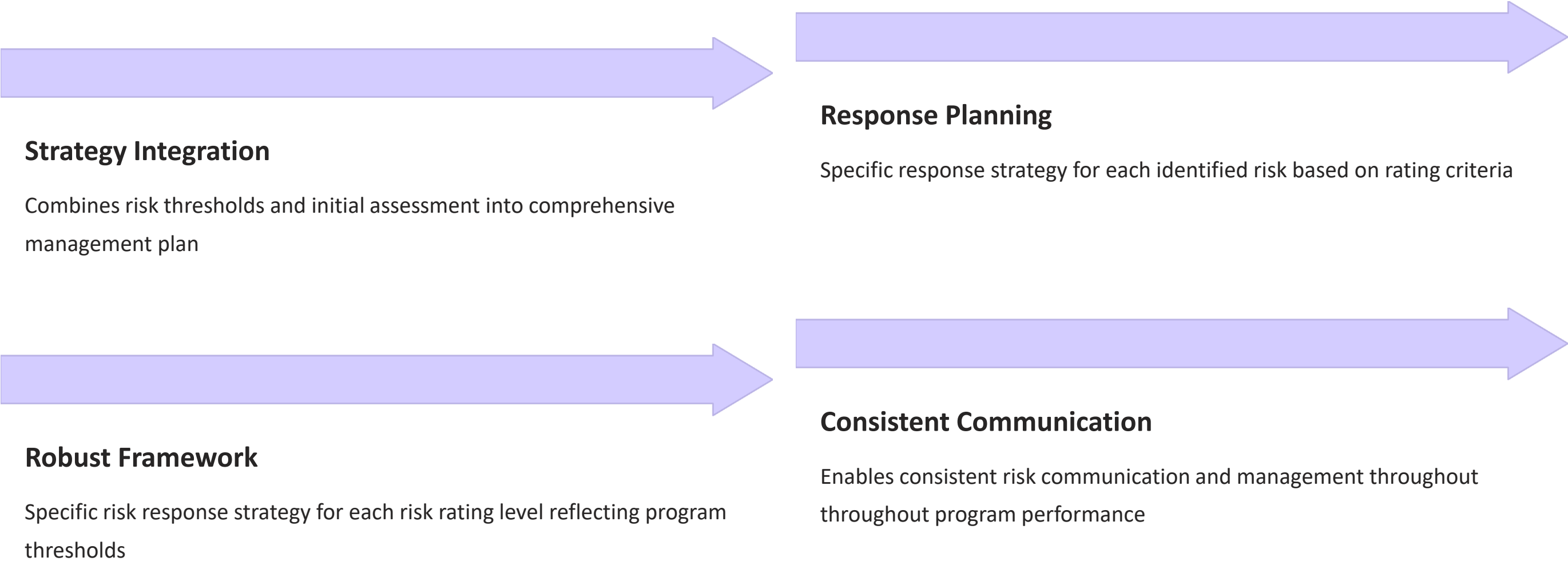
Qualitative (high, medium, low) or quantitative (numerical) definitions of risk rating



Maximum Risk Exposure

Maximum level of risk exposure manageable within the program before escalation is triggered

Program Risk Response Strategy





Risk Management ECO Alignment

Domain I (Strategic Program Alignment), Task 1:

Perform an initial program assessment by defining the program objectives, requirements, and requirements, and risks to ensure program alignment with the organization's strategic plan, strategic plan, objectives, priorities, vision, and mission statement.

Strategic Alignment Framework Summary

Program Business Case
Economic feasibility and strategic justification

Risk Management Strategy
Comprehensive risk approach and thresholds



Program Charter
Authorization and scope definition

Management Plan
Integration and execution roadmap

Environmental Assessments
External factor analysis and validation



1. Strategic Program Alignment

A comprehensive guide to establishing and maintaining strategic alignment through five critical program management components that ensure organizational success and sustainable value delivery.

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