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**Project, programme and portfolio
management — Guidance on
governance**

*Management de projets, programmes et portefeuilles —
Recommandations sur la gouvernance*

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Foreword

ISO (the International Organization for Standardization) is a worldwide federation of national standards bodies (ISO member bodies). The work of preparing International Standards is normally carried out through ISO technical committees. Each member body interested in a subject for which a technical committee has been established has the right to be represented on that committee. International organizations, governmental and non-governmental, in liaison with ISO, also take part in the work. ISO collaborates closely with the International Electrotechnical Commission (IEC) on all matters of electrotechnical standardization.

The procedures used to develop this document and those intended for its further maintenance are described in the ISO/IEC Directives, Part 1. In particular the different approval criteria needed for the different types of ISO documents should be noted. This document was drafted in accordance with the editorial rules of the ISO/IEC Directives, Part 2 (see www.iso.org/directives).

Attention is drawn to the possibility that some of the elements of this document may be the subject of patent rights. ISO shall not be held responsible for identifying any or all such patent rights. Details of any patent rights identified during the development of the document will be in the Introduction and/or on the ISO list of patent declarations received (see www.iso.org/patents).

Any trade name used in this document is information given for the convenience of users and does not constitute an endorsement.

For an explanation on the voluntary nature of standards, the meaning of ISO specific terms and expressions related to conformity assessment, as well as information about ISO's adherence to the World Trade Organization (WTO) principles in the Technical Barriers to Trade (TBT) see the following URL: www.iso.org/iso/foreword.html.

This document was prepared by Technical Committee ISO/TC 258, *Project, programme and portfolio management*.

This corrected version of ISO 21505:2017 incorporates the correct Figure 5.

Introduction

This document describes the context of, and guidelines for, the governance of projects, programmes and portfolios.

The governance of projects, programmes and portfolios includes, but is not limited to, areas of governance that relate to projects, programmes and portfolios. Organizations can use this document for the governance of any one or all of their projects, programmes, or portfolios.

This document is intended to be used by any organization and any group of organizations for projects, programmes or portfolios of any size and complexity, but might require tailoring to the specific needs of the organization. In addition, this document is designed to provide guidance for governing bodies and for executive and senior management that can have governance responsibilities within their organizations.

This document refers to the governance of projects, governance of programmes and governance of portfolios, which is intended to be interchangeable with the terms project governance, programme governance and portfolio governance. However, the governance for a single project or programme can differ from the governance of multiple projects or programmes.

Following the guidelines for governance of projects, programmes and portfolios identified in this document can contribute to:

- improved accountability and transparency;
- improved engagement with stakeholders;
- reduced organizational risk;
- increased likelihood of achieving sustainable results, benefits and enhanced opportunities;
- improved communication;
- improved clarity regarding values, ethics, and guiding principles.

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Project, programme and portfolio management — Guidance on governance

1 Scope

This document describes the context in which the governance of projects, programmes and portfolios is conducted and provides guidance for the governance of projects, programmes and portfolios. This document can also be used for assessment, assurance or verification of the governance function for projects, programmes or portfolios.

NOTE Throughout this document, the term “portfolio” is used to mean “project and programme portfolio” and the term “programme” is used to mean a “programme of interrelated projects and other related work”.

This document is intended for governing bodies and executive and senior management who influence, impact or make decisions regarding the governance of projects, programmes and portfolios. It is also intended to provide guidance to those who direct projects, programmes and portfolios, such as sponsors, steering committees, portfolio owners and the project management office.

It also can be used by project, programme and portfolio managers, as well as stakeholders involved in the development and implementation of projects, programmes and portfolios. Other audiences who can have an interest in this topic include those advising, informing, assisting or working within projects, programmes and portfolios.

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2 Normative references

There are no normative references in this document.

3 Terms and definitions

For the purposes of this document, the following terms and definitions apply.

ISO and IEC maintain terminological databases for use in standardization at the following addresses:

- ISO Online browsing platform: available at <http://www.iso.org/obp>
- IEC Electropedia: available at <http://www.electropedia.org/>

3.1

governance

principles, policies and framework by which an organization is directed and controlled

3.2

stakeholder

person, group or organization that has interests in, or can affect, can be affected by, or perceive itself to be affected by, any aspect of a project, programme, portfolio or the organization’s governance

3.3

risk

uncertain event or set of events with a potential positive or negative impact

3.4

benefit

created advantage, value or other positive effect

3.5 governing body

person, group or entity accountable for the governance of an organization, organizations or a part of an organization

4 Context

4.1 Organizational governance

Organizational governance is the directing of a permanent or temporary organization through the establishment of the governance framework. Governing bodies, executive and senior management have the responsibility for governing their organization to achieve both accountability and performance.

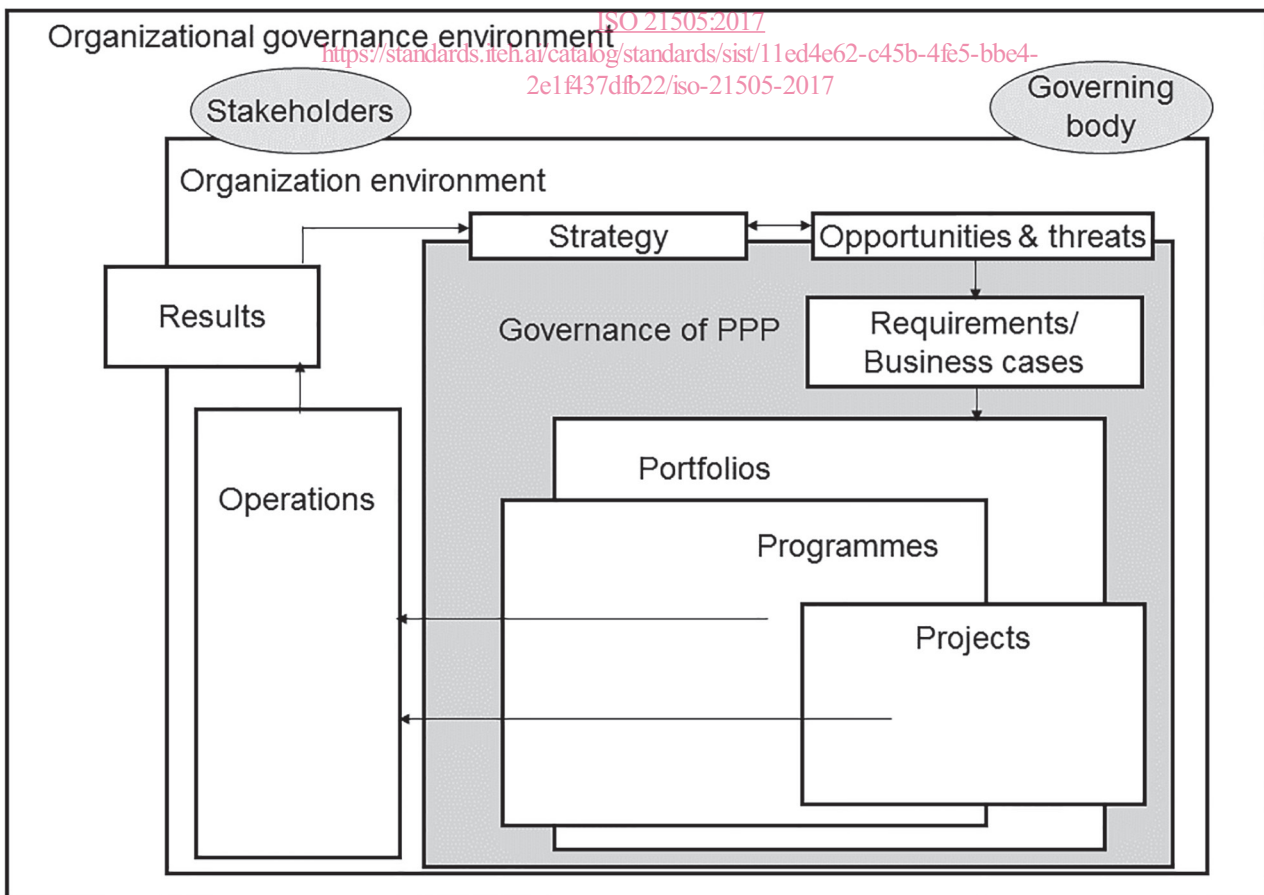
An organization's governance is based on the specific priorities of the organization and spans across the range of sometimes conflicting stakeholder interests and may be influenced by the wider governance environment.

The elements of organizational governance that address projects, programmes and portfolios should be:

- an integrated part of the permanent or temporary organization's overall governance framework;
- designed to support the organization's principles, values and strategic objectives;
- designed to optimize the benefits created by investing resources in selected projects, programmes and portfolios.

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One possible relationship between organizational governance and governance of projects, programmes and portfolios is shown in Figure 1.



The shaded box represents the governance framework discussed in [Clause 4](#).

Arrows are a generalized representation of the flow of knowledge, documents, deliverables and other artefacts.

PPP is the acronym in the diagram for projects, programmes and portfolios.

Figure 1 — Example of context of governance of projects, programmes and portfolios (PPP)

4.2 Governing bodies

Several different governing bodies may exist within an organization, depending on organizational needs and the projects, programmes and portfolios being governed.

Each governing body may have accountability and responsibility for:

- a) complying with the objectives, values and principles established by the organization's overall governing body;
- b) addressing the requirements of stakeholders;
- c) complying with organizational and legal requirements;
- d) developing and maintaining policies, procedures and processes;
- e) setting objectives for, and providing direction to the organizational entities being governed;
- f) delegating responsibilities to, empowering and supporting the managers:
 - delegations should balance authority and responsibility for the required actions,
 - the governing body remains accountable;
- g) monitoring conformance to and achievement of the objectives;
- h) providing final decision-making on escalated critical issues.

4.3 Differences between governance and management

Governance authorizes, directs, empowers, provides oversight and limits the actions of management.

Management should work within the constraints set by the organization's governance to achieve the organization's objectives.

Governance functions and management functions may be performed at different levels and in different parts of the organization, but the governing body remains accountable for the performance of the organization.

While governance and management are different, everyone involved in governance and management should have a responsibility to work proactively towards achieving the objectives of the organization.

5 Governance of projects, programmes and portfolios

5.1 General

The governance of projects, programmes and portfolios should be an integrated part of the organization's overall governance. The governance framework should integrate across the projects, programmes and portfolios within the organization and, where necessary, incorporate the requirements of other

participating organizations. The overall governance of the organization should support and enable the proper management of projects, programmes and portfolios.

The governance of projects, programmes and portfolios should:

- a) reflect the values and principles of the organization or organizations responsible for the projects, programmes and portfolios being governed;
- b) facilitate achieving the organization's objectives, while complying with the constraints set by its governance framework;
- c) consider the cultural and ethical norms of:
 - any other organizations involved;
 - communities in which the organization operates.

5.2 Values

The values expressed through the governance of projects, programmes, and portfolios should remain consistent to, and aligned with the organization's values.

Within this document, the concept of values are those values that are adopted or decided by the organization or participating organizations. These values should determine or influence the standards of behaviour of the members of the organization, or organizations, and should be generally accepted within the wider community in which the organization operates. The organization's values may be documented and should reflect what is ethically acceptable and valuable to the organization's stakeholders. Where conflicting values exist among the stakeholder communities, there should be agreement on the manner in which these conflicts are managed.

5.3 Principles

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Principles are reflected in the fundamental policies and practices adopted by the organization's governing body to support its values and achieve its objectives. The governing body should identify and document key principles for the governance of projects, programmes and portfolios that align with the organization's values and identify the objectives of the governance framework.

5.4 Guidelines for the governance of projects, programmes and portfolios

5.4.1 General

The guidelines for the governance of projects, programmes and portfolios identified in [5.4.2](#) to [5.4.6](#) should enable the creation of the governance framework to be adopted by the organization's governing body and support its values, principles and the achievement of its objectives. For the purposes of this document, the governing body should be accountable for implementing the governance framework for projects, programmes and portfolios. The governing body should consider the principles and the guidelines identified in [5.4.2](#) to [5.4.6](#) in the design and implementation of the governance framework for projects, programmes and portfolios.

5.4.2 Guidelines

The governing body should develop specific guidelines that provide the context within which its projects, programmes and portfolios should be managed, in accordance with the organization's values and requirements. The guidelines should include:

- a) alignment of the governance of project, programme and portfolio management with the organization's policies, values and objectives;

- b) a process for developing new and modified values and policies, where gaps exist at the organisational level or improvements are required;
- c) development, implementation and maintenance of the governance framework for projects, programmes and portfolios which includes:
 - establishing roles, responsibilities and accountabilities;
 - defining guidelines for the appointment of human resources;
- d) enabling effective communication between governance and management entities;
- e) providing for the separation of the governance function from the management role;
- f) providing oversight to enable conformance with the governance guidelines;
- g) improving the governance framework for projects, programmes and portfolios.

5.4.3 Performance of projects, programmes and portfolios

The governance framework should contribute to and provide oversight of the creation and realization of value for stakeholders by:

- a) the selection of members of the governing body and delegated governance entities that have the appropriate levels of capability, competence, authority, experience and access to the resources they require;
- b) responsible management of human and other resources and their use.

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5.4.4 Sustainability and ethics

The governance of projects, programmes and portfolios should reflect the organization's commitment to ethical values and sustainability. The commitment to ethics and sustainability should include:

- a) integrating the organization's values and policies into the governance and management of projects, programmes and portfolios;
- b) fostering a culture of respect, fairness, trust, honesty, and appropriate transparency and openness;
- c) supporting the organization's commitment to sustainability, including economic, environmental and social responsibility;
- d) supporting the integrity, security and disclosure of information created, received, obtained and otherwise handled and distributed. the support should include, but is not limited to:
 - balancing the need for security and confidentiality with the stakeholder's need for availability and transparency;
 - providing for the integrity and availability of the information;
- e) establishing processes that provide decision makers with adequate, relevant, and reliable information.

5.4.5 Stakeholders

The governance of projects, programmes and portfolios should reflect the organization's commitment to determine and acknowledge the importance of stakeholders. The respect for stakeholders should include:

- a) considering and balancing the interests of stakeholders that is consistent with the organization's overall approach to stakeholders;