

DEVELOP A PROJECT PORTFOLIO MANAGEMENT STRATEGY



Time is money; spend it wisely.



TOO MANY PROJECTS TO JUGGLE WITH MORE EVERY DAY:

IT departments have many strategic and operational projects loaded on them – whether they can resource them or not.

Many IT leaders believe sophisticated processes that help with resource management will be the solution.

However, the backlog continues to increase.

WHAT WE HEAR FROM THE TRENCHES:



“Project planning is just an artifact – it’s not a core part of what gets done. You end up feeling like the project plan is working you versus you’re working the plan.”

IT Director,
Financial Services

“We prioritize the work based on who the stakeholders are and what kind of noise they’re going to make if we don’t meet their needs. It comes down to who will scream at us the loudest. It’s unfortunate, but that’s the way it is.”

CIO,
Higher Education

“There seems to be a lack of trust in what we say we can deliver, which then puts us in a position to deliver more while failing to deliver quality.”

IT Director,
Software Development

COMMON BARRIERS TO PROJECT PORTFOLIO MANAGEMENT (PPM) SUCCESS:

Too many projects in pipeline

Lack of project management

Infrequent portfolio reviews

Poorly defined portfolio decision criteria

Decision making by committee

Perception of micromanagement

Decision processes not based on objective information

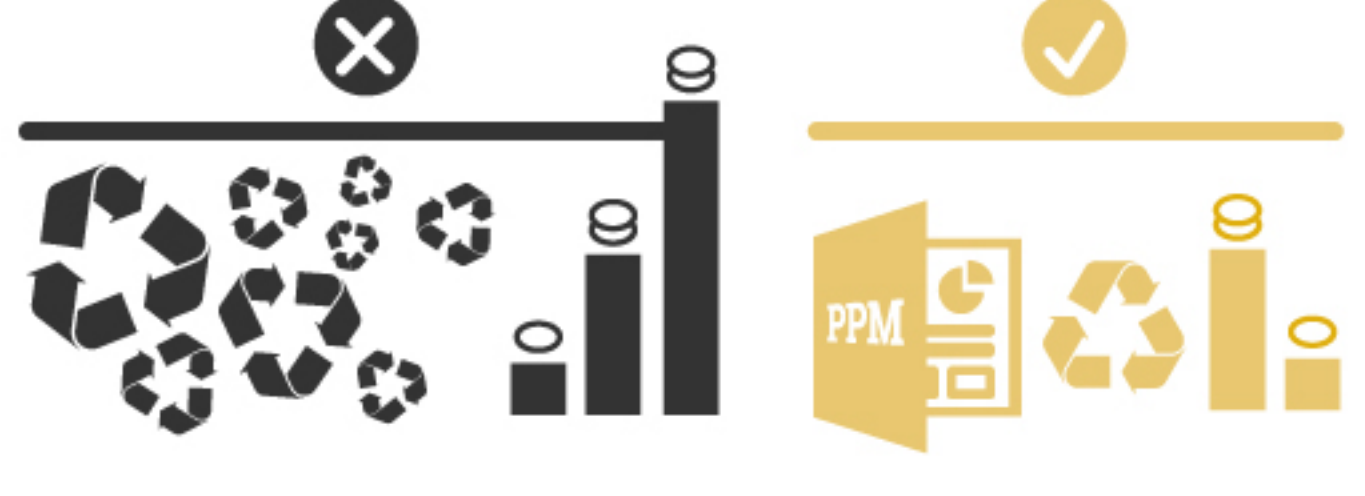
Lack of project team adoption

Inability to balance resources across the portfolio

SUCCESSFUL PPM PRACTICES CREATE VALUE



PPM practices create value if they maximize the throughput of high value IT projects at the lowest possible cost.



PPM practices destroy value when they foster needlessly sophisticated and costly processes.



IF TIME IS MONEY,

think of the PMO as the accounting department for time. As the Portfolio Manager, it is your responsibility to ensure that time is spent wisely in pursuit of the goals handed down by the portfolio owner. Use this PPM strategy to master the art of resource optimization and portfolio throughput.

PPM is a practice! Not software or a job description.

PPM is not a product (tool), and it is not a job description (Project Manager). It is a set of processes that need clearly articulated goals and wide participation to be successful.



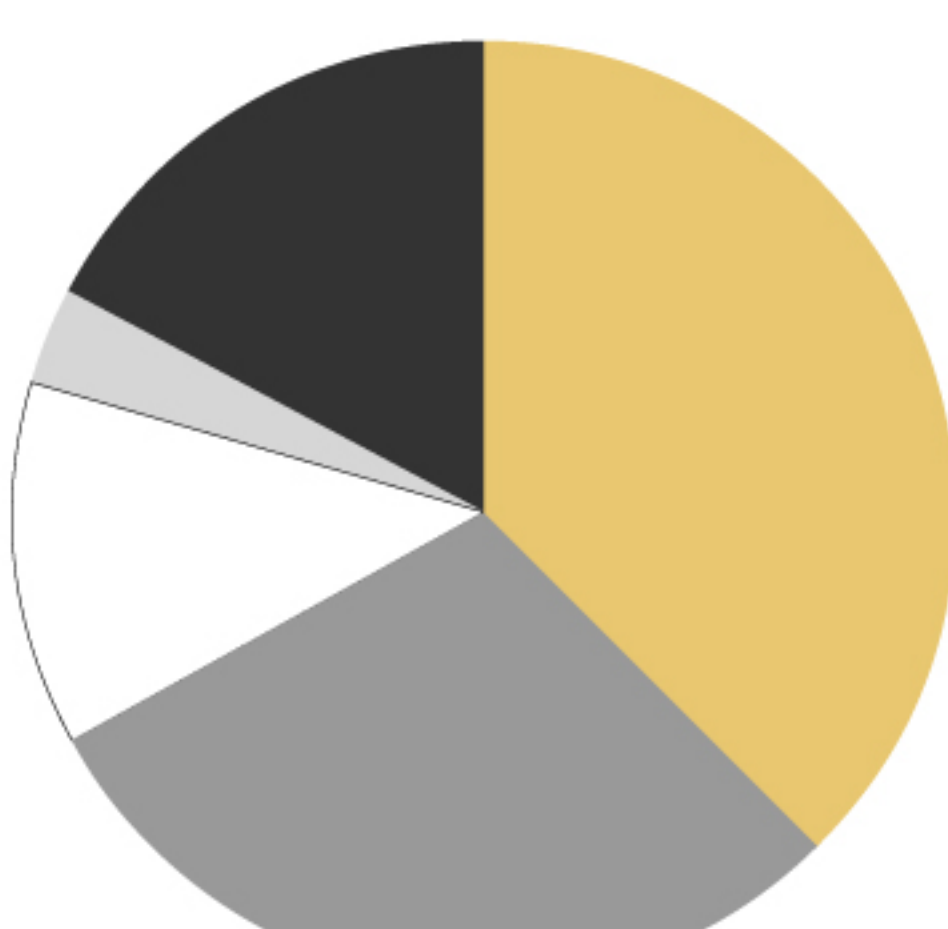
Those who succeed have well managed PPM processes, regardless of the tools they use.

Organizations that struggle often select tools to meet their goals without implementing the processes needed for success.



FORMAL PPM TOOLS ARE NOT A MAGIC BULLET

Which of the following best describes your PPM solution?



- 37% Excel spreadsheet
- 30% Internally developed solution (e.g. SharePoint, Access, etc.)
- 13% On-premise commercial solution (e.g. Oracle Primavera)
- 3% SaaS-based commercial solution
- 17% We do not have a PPM tool

X After 15 years of PPM, the number one solution for it remains Excel spreadsheets.

The three main drivers of PPM success are:



Frequent and visible intake processes



Frequent review of current, accurate, and consistent report data



Effective executive oversight of the project portfolio

PROJECT STEPS

STEP 01

Make the Case

67% of our cases are using Excel spreadsheets and/or SharePoint, and only 16% are using a commercial solution. Ensure a proper fit between your needs, your tool set, and the resources needed to maintain a vibrant PMO reporting solution.

STEP 02

Assess the Current State

Many portfolio managers are too focused on ambitious long-term plans. A PPM strategy is an evolving discipline. While setting your long-term targets, be sure to think about the short-term steps required to get you to your target state.

STEP 03

Perform a Cost/Benefit Analysis

Almost every organization overestimates their ability and appetite for complex PPM solutions (e.g. nobody uses all of the functionality they expect to in commercial tools, at least not in the first few years).

STEP 04

Articulate the PPM Strategy

Technical implementation is the easy part; value is in optimizing process and people factors.

STEP 05

Right-Size PPM Tools

Don't take on more work than you need to. Customize your PPM solution to meet the capability of the organization and your own skill set.

STEP 06

Define and Implement the Near-Term Plan

Aged portfolio data hinders the organization's ability to make decisions. Without timely and accurate portfolio data, decision-makers are forced to act without insight, which leads to over-allocation. Ultimately, this lack of data results in added cost, lost revenue, and diminished trust in the PMO or portfolio owner.

STEP 07

Define the Long-Term Plan

Approach PPM as an evolving discipline that requires adaptability and long-term organizational change. Near-term capabilities might create stakeholder desire for unforeseen forms of visibility and agility. Set checkpoints to validate assumptions of your PPM strategy and identify emerging challenges by piloting incremental improvements.