

Project Portfolio Management Process Description and Process Flow

Gathering the Requirements

1) Identify Project Portfolio Management Requirements

Establish the needs of the organization with regard to project portfolio management. Consider requirements based on views from the project manager position to executive level positions. Additionally, establish the organizational and business drivers that managing a project portfolio would satisfy. Develop a requirements document that can be used to evaluate applicability of an automated approach.

2) Assess Current State

Identify current project portfolio management practices, tools and techniques that are in place and thought to be effective. Create a plan for transitioning current portfolio management operations to a new automated environment. Consider what data is captured, how that data is captured, how and where the data is stored and current reporting practices. Identify new data capture requirements that are either desired by the organization or required by the software. In a distributed environment, define the common practices to be used across all operating units.

Participants: Representative project managers, executive sponsor

Techniques: Agile 30 day sprint

Roadmap Steps: 1 & 2

Output: Requirements document

Duration: 30 days

Level of Effort: 160 hours

Defining the Environment

1) Define Frameworks

Prior to initializing the tool with the appropriate project descriptions and templates the organization must determine how they define their common development frameworks. This would include a description of the various lifecycles used to develop, enhance and maintain software. Common characterizations include traditional waterfall, iterative, agile, etc. Additionally, the nature of project activities such as new development, enhancements and maintenance must be fully understood. In a distributive environment there must be a common set of project descriptors and frameworks such that everyone is speaking the same language.

2) Inventory Projects

Compile a detailed listing of all active, planned and backlogged projects. Identify what relevant data is currently available for each project based on the requirements set forth in the earlier action steps. Projects should be identified as to their current status, data availability, type, etc.

Participants: Representative project managers, PMO, process improvement managers

Techniques: Agile 30 day sprint

Roadmap Steps: 3 & 4

Output: Framework templates, project inventory

Duration: 30 days

Level of Effort: 140 hours

Establishing PPM Practices

1) Workflow Procedures

Define the workflow necessary to collect and display project portfolio data. Identify roles and responsibilities. This includes tool administration responsibilities. Clearly define reporting requirements and recipients. Link portfolio management practices to existing project management and IT governance practices.

2) Reporting and Analytics

There are standard views that are available with the automated tool set. It may be necessary for the organization to provide additional analysis of project portfolio data and report the results. In those instances, a statement of requirements needs to be developed and the proper procedures for collecting, analyzing and reporting results needs to be proceduralized.

Participants: Representative project managers, PMO, process improvement managers

Techniques: Agile 30 day sprint

Roadmap Steps: 5 & 6

Output: PPM Procedures

Duration: 30 days

Level of Effort: 140 hours

Implementation

1) Training

Training on the automated tool can be kept to a minimum. The tool is easy to use and has a very effective series of short tutorials that readily answer most questions users will have. Several approaches to introducing the tool can be presented. A four to six hour classroom training session or a pseudo computer based training session would satisfy the majority of basic needs in learning the necessary functionality.

As important would be training around the proper initialization of projects into the tool and the procedures necessary for ongoing support and management.

2) Initiate PPM

Populate the tool with the selected projects. If this is a pilot program then those projects selected for the pilot will be initialized in the tool. If a full scale deployment is being used then the development of a detailed implementation plan is recommended.

Participants: PMO

Techniques: Agile 30 day sprint

Roadmap Steps: 7 & 8

Output: Updated tool

Duration: 30 days

Level of Effort: 140 hours

Our Agile Approach

The success of this project will depend on a high level of interaction between a relatively small group of key stakeholders throughout the project. The proposed solution for Project Portfolio Management (PPM) has to exhibit the following characteristics:

- It must be flexible – the external environment will change so the internal environment must be able to respond in a timely fashion
- It must be effective - not PPM for the sake of PPM
- It must be efficient – not a bureaucratic nightmare
- It must be practical – this needs to be easy to implement and maintain
- It must be acceptable – this is where the design of the solution must be a good fit for all those involved in managing their portfolio

This initiative will fail if it does not have employee support.

This initiative will fail if it does not have active executive support. It will also fail if it takes too long (e.g. more than one year) because employees intuitively understand what is a priority and what is not. Either way, employees will discern that they will be recognized or rewarded more for achieving the short-term urgent goals and not medium-term important goals.

The need for a high level of acceptance amongst employees and executives leads us to propose using our “agile approach to consulting” for this initiative. This approach is modeled on the agile approach to software development which relies on frequent delivery of value which generates frequent feedback from the customers which drives the next delivery of value. As in software development, our agile approach to consulting works well when the high-level deliverables are well understood but the details are difficult to define and, to some extent, success is best defined but the customers sense that, “we will know it when we see it.” To

some this sounds too unstructured and undisciplined to be successful but, in fact, this approach introduces strong structure and demand strong discipline.

The approach can be summarized as follows:

- Produce a Valued-deliverable Project Backlog with our Client
- Plan and Agree the Valued-deliverables for the next time-boxed project phase (or sprint) with the Client
- Execute the sprint with input from the Client's staff
- Review the Valued-deliverables at the end of the sprint with the Client
- Review the Valued-deliverable Project Backlog with the Client
- Plan and Agree the Valued-deliverables for the next sprint with the Client

For this initiative, there are several advantages to this approach:

1. It will ensure frequent input from the key stakeholders so acceptance challenges will surface early and often
2. Useful deliverables will appear frequently.
3. As the stakeholders start to see the deliverables, their perception of what can be achieved will change. The quality of the end result will benefit and new unforeseen ideas will surface. In other words, this approach will tend to foster innovation.
4. The work can be terminated at any time at the end of the latest sprint with clear knowledge that the initiative had delivered value in each sprint.

We propose 4-week long sprints for this project. We estimate that designing and implementing the Project Portfolio Management systems will take 4 sprints.

The first sprint will include a planning component that builds the Initial Project Backlog as one of its deliverables. This typically involves a 1/2 day workshop at which all key stakeholders (or their decision-making nominees) must be present. Clearly, client personnel are in a better position to judge who the key stakeholders are but DCG Consultants will advise on and facilitate the selection process.

Face-to-face logistics are highly preferable for this workshop but, in the situation where personnel are distributed around the world, it may be necessary to organize a set of video conferences.

Project Portfolio Management (PPM)

