Engendering efficiency in portfolio management and execution for IT investments

Our client is a leading software company for consumer and enterprise products, sold globally through an intricate network of partners, channels, and direct sales organizations. Our client’s IT investment supporting the Global Sales, Marketing, Channel Incentives and Enterprise Partner and Customer platforms exceeded $200m annually, creating a complex, multi-faceted portfolio. With this portfolio’s intricacy came an unclear investment picture, issue with basic management of project triple-constraints, and complete loss of clarity into portfolio execution.

Our client realized that the management was spending a major portion of their time determining health and status of existing projects and programs within the portfolio whereas such time could have been more effectively spent focusing on strategic planning and enabling portfolio roadmaps. The client hired Revel Consulting to initiate and implement a portfolio management framework and process that would help the team drive more value from the existing assets.

Revel focused on two objectives for this engagement:

- Understand the environment of people, processes, governance, controls and tools that the client used to plan, create, assess, balance and communicate execution of the portfolio
- Establish a business framework architecture to ensure that the IT organization invests in and works on the “best set” of programs and projects maximizing overall business results

Revel understands that effective portfolio management utilizes the organization of portfolio data compiled from a variety of sources in order to effectuate portfolio execution. Revel initiated a discovery process to:

Benefits Realized:

- Level of application & use of PMO service offerings
- Measurable increase in customer satisfaction regarding level of communication & transparency between stakeholders
- Greater clarity around requirements changes & understanding of impact(s) to projects
- Increased visibility of consolidated requirements
- Level of adoption of standardized PM methodology, processes and tools
- Greater level of project cost containment
- Increase engagement of all stakeholders
- Measurable increase in customer satisfaction regarding understanding of requirements between stakeholders
- Greater visibility, communication understanding, and agreement of priorities across all stakeholders
- Earlier visibility into program level risks & issues
- Holistic view of the progress & success of projects allowing for better decision making
- Increase in on-time project delivery
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- Gather portfolio data on the scope, schedule, and budget of projects and programs comprising the portfolio
- Map ancillary information such as inter- and intra-project dependencies, risks, issues, resource constraints, and the strategic ranking of projects and programs.

With the proper data reporting and organizational systems in place, the organized portfolio became a dynamic, fluid landscape supporting rigorous and multifaceted analysis. Analysis of this landscape in turn generated the opportunity for proactive tuning decisions which balanced and optimized execution of the portfolio throughout its lifecycle. The result was a smooth running engine that put the portfolio owner in better control of his or her business.

Revel’s primary focus was to first assess both the availability of data and its quality in terms of supporting systems that utilize portfolio management. Once this assessment was complete, Revel worked on enhancing current data reporting and quality measures from a people, processes, and tools perspective. Simultaneously Revel introduced portfolio management systems designed to effectively communicate portfolio data with key stakeholders.

The ultimate goal was, with a foundation of reporting efficiency and consistency established, to utilize organized data and provide recommendations and observations regarding actions that could be taken to improve both the planning and execution of portfolio projects and programs as a whole.

**Portfolio Management Maturity Model**

The portfolio management maturity model identifies on organization’s capacity to utilize data efficiently for strategic insight.

- Gradients:
  - Portfolio Data
  - Information Management
  - Strategic Insight
  - Business Decisions, Planning, Proactive Risk Management
  - MBRs, Weekly Reports, Tools, Processes
  - Budget, Dependencies, Project Status

Once portfolio data is organized under effective run-business management (via tools and processes), leadership focus transitions to utilization of data for effective business decisions.